



ANNUAL REPORT

2024-2025



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This annual report for Sugar Terminals Limited (STL) is a summary of the Company's operations, activities and financial position for the year ended 30 June 2025. It complies with Australian reporting requirements and was authorised for issue by the Directors on 9 September 2025. The Directors have the power to amend and reissue the financial statements included in this report.

STL (ABN 17 084 059 601) is a Company limited by shares and is incorporated and domiciled in Australia. Its registered office and principal place of business is Level 11, 348 Edward Street, Brisbane City, QLD, 4000.

References to the financial year or 'FY' are to the year ended 30 June. All dollar figures are expressed in Australian currency.

An electronic version of this report is available at www.sugarterminals.com.au. In consideration of the environment, printed copies of the annual report are only posted to shareholders who have requested a copy.

REPORT OBJECTIVES

This annual report is provided for the benefit of STL's shareholders. It provides a clear and concise summary of STL's performance for the 2025 financial year and outlook for the year ahead. It meets STL's compliance and governance requirements and aims to build awareness of STL's operations and to explain the Company's performance against its stated purpose and values.

ARE YOU AN ACTIVE GROWER?

STL encourages increased ownership of the Company by active sugar cane growers and reminds any inactive G Class shareholders of their requirement to divest their shares as per STL's constitution.

ABOUT STL



STL provides sustainable and globally competitive storage and handling solutions for bulk sugar and other commodities through its assets located at the ports of Cairns, Mourilyan, Lucinda, Townsville, Mackay and Bundaberg.

STL is a vital component of Queensland's sugar industry, an industry that contributes \$3.8 billion in Gross Regional Product and employs more than 19,000 people in direct or indirect jobs.

STL's terminals received and outloaded just under 6.6 million tonnes of raw sugar during the financial year and provided 2.48 million tonnes of available storage capacity.

STL is publicly listed on the National Stock Exchange of Australia (NSX: SUG). It has a market capitalisation of \$372 million as at 8 September 2025 and over 4,200 shareholders. Share ownership is restricted to sugar industry participants (growers and millers).

PURPOSE

To be a sustainable, globally competitive provider of storage and handling solutions for bulk sugar and other commodities.

OUR VALUES

We are passionate about being:

Safe

A team that cares for people

Sustainable

Responsible stewards of our assets and the environment, maintaining and creating long term value in the business

Service Orientated

Focused on customer satisfaction, cost-efficiency, excellence and quality

Innovative

Future-focused, always improving, flexible, responsive and transforming

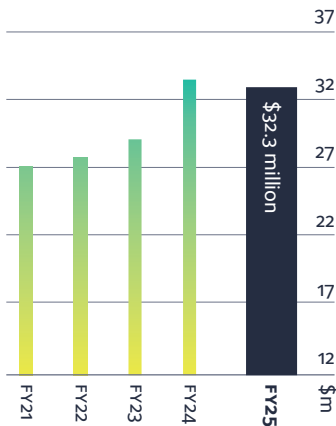
Independent

Equitable and honest, acting with integrity, providing open access

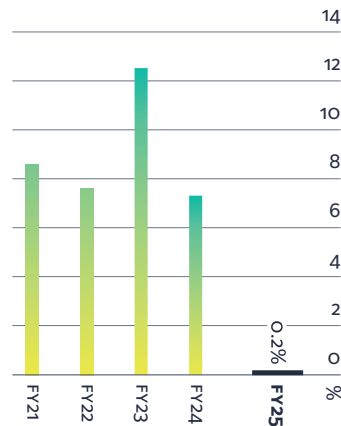
YEAR IN REVIEW

STL's FY25 result demonstrates its commitment to delivering stable and sustainable returns to our shareholders, while maintaining competitive costs and reliable services for customers – despite a challenging market environment that has negatively affected throughput and contributed to share price volatility.

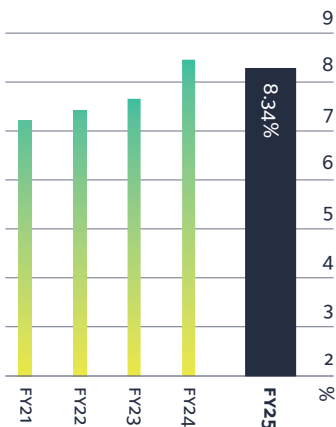
Net profit after tax (NPAT)
(\$ millions)



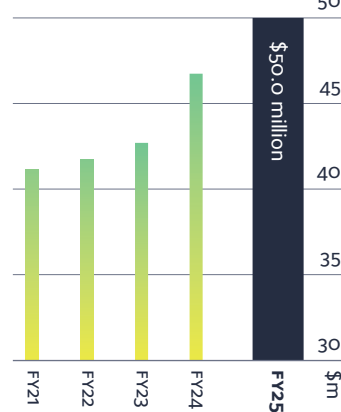
Total shareholder return
(%)¹



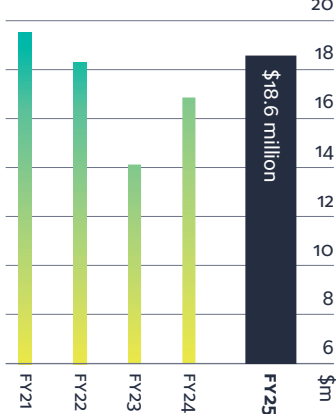
Return on assets
(%)²



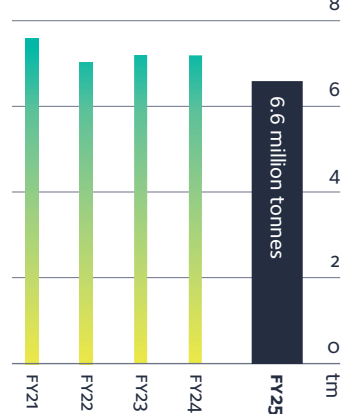
Terminal activity charges
(\$ millions)³



Capital investment
(\$ millions)



Terminal throughput
(million tonnes)



¹ Full year movement in G Class share price plus dividends paid during the year, as a percentage of the share price at beginning of the year

² Full year NPAT as a percentage of total assets as at 30 June

³ Activity charges to raw sugar customers, excluding insurance

⁴ Environmental incidents reported to the Regulator



1

RECORDABLE
INJURY



1

ENVIRONMENTAL
INCIDENT⁴



44,576

TRAIN WAGONS RECEIVED



37,022

TRUCKS RECEIVED

4,961

TRUCKS DESPATCHED



96

SUGAR SHIPS LOADED

49

MOLASSES SHIPS LOADED

3

NON-SUGAR SHIPS LOADED

CHAIR'S MESSAGE

MARK GRAY

Shareholders should have every confidence that the business is well positioned to weather the inevitable challenges ahead, with your Directors and Management totally committed to ensuring that STL will always focus on the long-term interests of the sugar industry.



With the completion of the financial year ending 30 June 2025, I am pleased to report that STL has delivered another period of strong operational and financial performance, ongoing targeted investments in these key industry assets and demonstrable progress on our strategic initiatives.

CHALLENGING INDUSTRY CONDITIONS

Global uncertainty, weather events and policy decisions made by individual countries in support of their local sugar industries have all played a role in continuing the negative trajectory for the raw sugar price over the past 12 months, coupled with ongoing pricing and inflationary pressures experienced across the board.

The Australian raw sugar industry has of course experienced its own unique challenges and, whilst no serious cyclone events were suffered, the flooding experienced in the Herbert Region in early 2025 was severe and we will not see the full impact of this event until the end of the 2025 crushing season which is now well underway. Despite this, we remain resilient and the positive 'can do' attitude of so many of the growers and millers that I meet demonstrates their long-term commitment to our industry.

STL is itself not immune to pricing pressures and it is the expectation of the Board and Management that we are always looking at ways to do more with less and ensuring that we achieve the best value for money outcome without adversely impacting the longevity and reliability of the assets. We will always be vigilant in considering ways to drive cost efficiencies to benefit industry as to do otherwise would compromise our purpose of being a "...sustainable, globally competitive provider of storage and handling solutions for bulk sugar and other commodities...".

DELIVERING A SOLID FINANCIAL RESULT

Despite the cost pressures and challenging operating environment, STL has again delivered a solid financial result for the 2025 financial year. This outcome has been achieved by continuing to focus on controlling our compressible costs, driving efficiency in operational performance and exploring opportunities to diversify our income stream without impacting the priority needs of the sugar industry.

For FY25, your company has delivered a profit of \$32.3 million. This result represents a 0.6% reduction as

compared to the previous year; however, shareholders are reminded of the Board's decision in September 2024 to collectively rebate \$1.8M to our sugar customers to ease some of the cost pressures that they and the growing community were experiencing. This has therefore had an impact on full year performance as foreshadowed in last year's Annual Report.

Total revenue for the year reached \$118.5 million, up 2.7% from FY24. Total throughput amounted to 6.6 million tonnes, and a total of 96 raw sugar ships were loaded. Further detail on these and other operational metrics is outlined in the report from our Chief Executive Officer.

STORAGE AND HANDLING AGREEMENT 2025

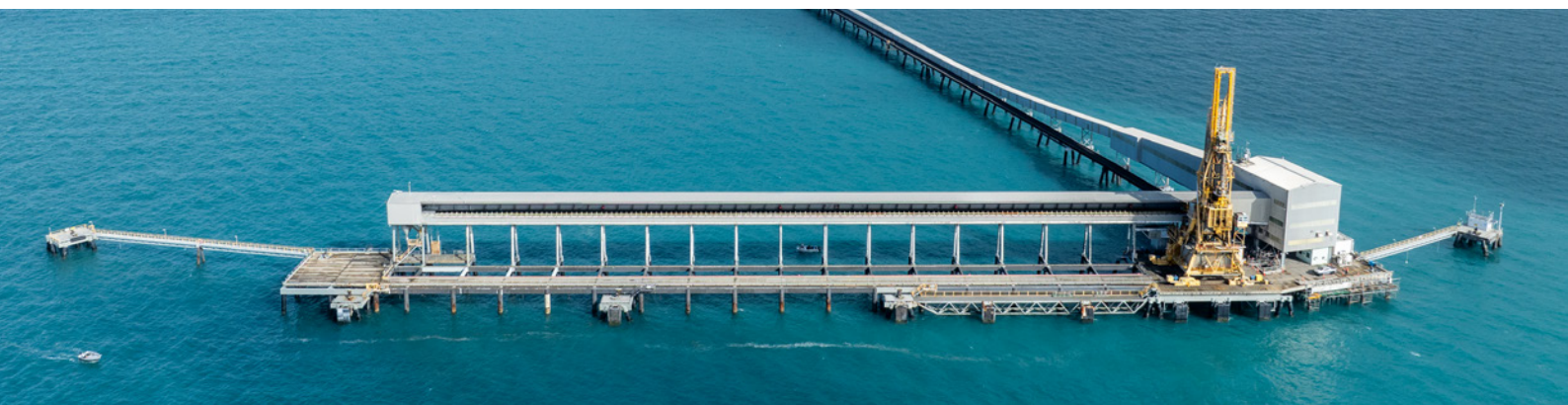
During FY25, STL successfully completed negotiations with its 6 raw sugar customers to settle the terms of a new Storage and Handling Agreement (SHA) which came into effect from 1 July 2025.

As shareholders may be aware, customers sought approval from the ACCC to collectively negotiate the SHA, an approach that STL supported on the basis that it would result in a more efficient and cost-effective process.

After robust negotiations, the terms of a new agreement were settled and at this point 5 out of 6 raw sugar customers have executed the SHA. STL will of course continue to engage with QSL Marketing, the one customer who has yet to execute, but shareholders are advised that the new contractual terms are being applied to all 6 customers and STL is receiving full payment for its services.

Importantly, for our customers, STL has agreed to reduce its Availability Charge, in conjunction with the implementation of insourcing, to achieve a target return on assets of 7.1%, consistent with our return in 2017 when STL's business model changed. STL also agreed to cap some of its Activity Charges and absorb some of its insourcing transition costs. Overall, this will result in cost reductions to customers of greater than 10%, to assist in maintaining a globally competitive industry.

STL as part of settling the terms of the new SHA also agreed to undertake a full independent review of the Pricing Model that underpins the charges levied under this agreement. During this review, which will commence in FY26, STL commits to consult widely with its customers, the growing community and also shareholders as we remain mindful of our obligations as a listed company



and also the potential impacts on future profitability and dividends. It is intended that the outcomes of the review will be considered as part of negotiations on a new SHA to apply on and from 1 July 2027.

TRANSITION TO AN INSOURCED OPERATING ENVIRONMENT

STL continues to work methodically in progressing its transition planning to ensure the successful implementation of insourced operations on 1 July 2026 (or earlier if agreed).

Activity is well under way across the various key workstreams which capture the bulk of transition activities. Constructive engagement is occurring with QSL, our current outsourced operator, and transition planning is progressing, noting that this is on an “as is where is” basis consistent with the provisions of the Operating Agreement.

INACTIVE GROWERS

Over many years, STL has consistently reminded our shareholders of their obligations to dispose of their shares once they cease to supply cane. In the past 12 months, a more heightened level of focus has been placed on this important issue through the activities of the Inactive Grower Subcommittee of the Board.

The actions of this Committee have resulted in tangible results being achieved. Most notably, we have now received completed Member Status Declaration Forms accounting for almost 200 million of the 229 million G Class shares on issue. Additionally, total shareholder numbers have declined by almost 15% to just over 4,200 individual shareholdings reflecting, in part, the exit of inactive growers off the register.

This progress is encouraging and we thank those who have responded. There remains approximately 29 million shares for which we are still unable to account, some of which are likely to be held by active growers who, for various reasons, have yet to respond. Regardless, we will continue working on accounting for such shares and to this end, a further letter will soon be issued to this cohort, and we will remain diligent in pursuing this matter.

CONCLUDING COMMENTS

As this will be my last Annual Report as Chair, I'd like to briefly reflect on the honour of having chaired your company for the past 8 years.

Over this time, considerable change has occurred in the sugar industry, some willingly and some out of necessity. Nevertheless, the industry remains under considerable pressure as urban encroachment, alternative crops, international competition and cost pressures are a clear and present challenge.

STL's role remains vital in providing safe, efficient and reliable services to our customers. These obligations are always front of mind for the company and many of our current activities reflect our single-minded focus on achieving these objectives.

However, as I leave STL following the 2025 AGM, I think it's always important that the sugar industry continues to question the validity of certain 'fundamentals' that need always to be challenged. Whilst not an exhaustive list, from my perspective strategic issues that require careful consideration include:

- addressing declining volumes in all areas
- the sustainability of terminal network pricing, given significant differences in costs between terminals
- managing the tensions and conflicts inherent in STL's corporate structure as a listed entity with direct industry representation.

These issues cannot be solved by STL alone. However, we have always demonstrated our willingness to confront big issues for the benefit of the entire industry, and I believe this must continue. I am confident that your Board and Management will continue to actively explore such issues in the time ahead.

In conclusion, I'd like to sincerely thank both the current and former Directors who have served with me on this Board. Their commitment and dedication have not only made STL what it is today but have also made my job as Chair so much easier than what it may otherwise have been.

I'd especially like to acknowledge the contribution of Sam Bonanno who joined, and will leave, the Board at the same time as me. Sam's wise counsel, steadfast support and deep expertise and experience in the operation of large-scale infrastructure have been invaluable through our shared journey together.

I must also acknowledge the efforts of our CEO and his Management Team as they competently undertake the broad range of responsibilities they face in delivering for all stakeholders on a daily basis with limited resources.

I believe shareholders should have every confidence that the business is well positioned to weather the inevitable challenges ahead, with your Directors and Management totally committed to ensuring that STL will always focus on the long-term interests of the sugar industry.

Mark Gray
Chair

CHIEF EXECUTIVE OFFICER'S REPORT

DAVID QUINN

The 2025 financial year has delivered its fair share of challenges but at the same time has seen the effective delivery of services to customers, ongoing targeted capital investment in the terminals and solid progress on delivering on our strategic objectives.



Our stated objective is to ensure we deliver efficient and reliable receival, storage and shipping services that contribute to the overall success of the sugar industry.

SAFE AND ENVIRONMENTALLY RESPONSIBLE OPERATIONS

As a business that operates 24 x 7 often in challenging weather, using large mobile equipment and regularly operating at heights, the safety of staff and contractors who attend our terminals each day is paramount.

For the financial year ending 30 June 2025, safety performance remained strong with only 1 recordable injury sustained. This is a good result and the efforts of personnel at site needs to be acknowledged but we must not become complacent so vigilance at all times remains the key.

To assist in maintaining such an enviable safety record, STL continues to invest through both capital and maintenance activities to either eliminate or mitigate risks. Such investments range from extensive conveyor guarding upgrades right through to multi-million dollar Electrical Substation upgrades. The need to constantly challenge ourselves to 'do better' is the mindset we will always adopt with respect to safety.

As shareholders will note in this edition of our Annual Report, we have for the first time included our Sustainability Report which puts environmental protection at the forefront of what we do. Our activities in this area continue to evolve as we examine further sweetwater mitigation measures, progressive installation of more efficient conveyor drive motors, LED lighting and examining various solar initiatives and even battery powered vehicles for the future. The benefit of such measures are not only environmentally sound but, in many cases, also make commercial sense.

OPERATIONAL PERFORMANCE

Demand for raw sugar has remained strong over the past year reflective of the low overall volumes in the sugar sheds at both the commencement and conclusion of the year.

As an example, total utilised storage at the end of June 2025 was only 21%. Total throughput for the year was just under 6.6 million tonnes, materially down on the prior year reflecting challenging growing and milling conditions. Shipping was also lower than normal with 96 sugar ships, 49 molasses and 3 non-sugar vessels loaded. The terminals received a total of 44,576 wagons, 37,022 trucks and 4,961 trucks.

Regrettably we did experience 2 outages which impacted ship loading at Lucinda and receival operations at Townsville. The root causes of these outages had never been previously experienced, but we believe a robust investigation was undertaken and measures put in place to avoid a repeat.

ONGOING INVESTMENT AT THE TERMINALS

STL recognises the importance of these assets to the sugar industry. These terminal assets are ageing but were well engineered when constructed and the level of investment whilst prudent, is focussed on maintaining their longevity and reliability.

In excess of \$8M was spent on Major Maintenance during the year with a wide variety of activities undertaken including shed floor coating, fire system maintenance, wharf trestle structural repairs at Bundaberg and gallery corrosion wrapping at Lucinda.

Additionally, a further \$18.6M of capital investment was made with some of the key projects being Townsville Substation No 1 Upgrade at over \$2M, Shiploader PLC and Anti-Collision upgrades at Lucinda, planning and design activities to upgrade employee amenities in Townsville and girder replacement on the Lucinda jetty to name a few.

We need to be mindful of the importance of completing what is scheduled as we had budgeted for even more work to be done so it will be an area of heightened focus in the coming financial year. A significant program of works was approved by the STL Board for the 2026 Financial Year, and we are looking forward to seeing this delivered.





FUTURE TERMINAL OPERATIONS

It's now over 30 months since STL announced the decision to insource operations and with less than 12 months until this takes effect, planning is proceeding in earnest. Of recent times we have seen increased levels of engagement with QSL with agreement on a number of key issues.

A detailed communications strategy is now underway with 'face to face' briefings of all QSL operational and corporate staff occurring in late August / early September 2025 at all Terminals as well as the Edward Street offices. STL views this as simply the first step in what will be a significant level of engagement to be undertaken over the coming months to ensure these valued employees are fully informed of our plans and our desire to provide exciting opportunities for them into the future.

ONGOING INCOME DIVERSIFICATION OPPORTUNITIES

As we have previously outlined, STL continues to explore diversification opportunities through the prism of ensuring that the needs of the sugar industry remain the priority, that our assets are in no way degraded and that a commercial return can be generated. STL has continued wood pellet loading through the Port of Bundaberg and is in the process of settling a long-term commercial agreement to ensure this continues.

A further shipment of silica sand was also loaded using the Bundaberg Common User Infrastructure and we are presently engaging with 2 separate parties who are examining opportunities ex Mourilyan and Mackay.

We also continue to work closely with Gladstone Ports Corporation regarding a receipt and storage facility at Bundaberg, intended to form part of the Common User Infrastructure delivered successfully by STL in 2023.

We look forward to keeping shareholders updated as such opportunities progress.

SHAREHOLDER AND INDUSTRY ENGAGEMENT

A key part of the CEO's role is to engage with our customers, industry and shareholders to address their concerns and explain the rationale for the decisions we make. From my personal experience I find this invaluable and whilst roadshows require a lot of territory to be covered, the sessions conducted in the first half of the financial year were very productive, and I encourage your attendance in the future.

Whilst we are a small organisation in number, we utilise a wide variety of channels including monthly newsletters, regular correspondence to shareholders, updates in industry magazines and of course direct letters where necessary. I encourage your feedback and suggestions as to how we can even better engage into the future.

ACKNOWLEDGEMENTS

In conclusion, can I thank the STL Board for providing its ongoing support to myself and the Management Team over the past 12 months. In particular I would like to acknowledge the guidance and direction provided by both our Chair Mark Gray and Sam Bonanno during my time at STL noting they retire at this year's Annual General Meeting. They have always provided calm and considered advice, with the best interests of our stakeholders always the first priority.

The small STL Team who I manage also need to be recognised for their tireless efforts over the past 12 months and they have been invaluable in enabling us to achieve what we have.

As I complete this update, I remain mindful that we are still in the middle of the crush, so I wish all of our growers and millers a safe and successful end to the 2025 season.

David Quinn
Chief Executive Officer

LEADERSHIP

BOARD OF DIRECTORS

MARK GRAY

Independent Non-executive Chair

Appointed 7 March 2017

Mark is an accomplished Chair and Company Director. With a career spanning over 50 years, he is highly experienced across a number of corporate, government and community entities, encompassing an extensive range of board and executive appointments. He has previously held Chief Executive roles with the Queensland Treasury Department, the Queensland Competition Authority and the Queensland Independent Commission of Audit, as well as senior executive roles with the Macquarie Group and BDO. Mark holds a Bachelor of Economics (First Class Honours) from the University of Queensland and an Honorary Doctorate from Griffith University. He is a Fellow of the Australian Institute of Company Directors (FAICD).

Current directorships/other interests:

Data#3: Chair. Queensland Urban Utilities: Deputy Chair. Royal Flying Doctor Service of Australia (Queensland Section): Non-Executive Director. CleanCo Queensland: Non-Executive Director.

PETER TRIMBLE

Independent Non-executive Director

Appointed 18 December 2024

Peter has attained broad professional experience in both executive and non-executive roles across a variety of industry sectors including agriculture, construction and education. He holds a Bachelor of Commerce degree from the University of Queensland, is a fellow of CPA Australia and is a Graduate Member of the Australian Institute of Company Directors (AICD). Peter served as STL's General Manager from 2015 to 2017 and is currently the Chair of STL's Finance and Audit Committee.

Current directorships/other interests:

Efficiency Leaders Pty Ltd: Executive Chair (part time). G8 Education: Non-Executive Director and Audit & Risk Committee Chair. Somerset College Ltd: Director.

SAM (SALVATORE) BONANNO

Independent Non-executive Director

Appointed 7 March 2017

Sam is an independent company director with more than 40 years of business experience in Australia and overseas. He has held multiple non-executive board positions in Australia – three with key industry-wide service providers and one with a not-for-profit organisation promoting regional economic development – as well as having been Chair of an international industry association for bulk export coal terminals. His executive

roles, with a leading global resource company, encompassed strategic planning, commercial negotiations, operations management, asset management, project management, minerals processing, ports/terminal management and bulk supply chain and logistics management.

Sam has a Bachelor of Engineering (Mechanical) from Central Queensland University, an Advanced Diploma in Business Management from the Australian Institute of Management and has completed the Supply Chain Management residential program at Stanford University, USA. He is a Graduate Member of the AICD.

Sam is the Chair of STL's Safety, Risk and Sustainability Committee.

STEVE (STEVEN) KIRBY

Non-executive Director appointed by G Class shareholders

Appointed 29 November 2023

Steve founded Australian Cane Farms (ACF) in 2005 and is currently ACF's Chief Executive Officer and Managing Director. ACF owns and operates 4,750 hectares of sugar cane farms in the Burdekin region that has an annual production of around 400,000 tonnes of sugar cane. Prior to this, Steve was a Director of NM Rothschild Australia. In his 16-year career (1989-2005) with NM Rothschild, Steve held a variety of senior roles including Head of Structured Finance and Head of Agribusiness. Steve is a Chartered Accountant with over 20 years' experience as a senior finance professional.

Steve is a member of STL's Safety, Risk and Sustainability Committee

Current directorships/other interests:

Benedict Industries: Director

PAUL SCHEMBRI

Non-executive Director appointed by G Class shareholders

Appointed 12 December 2024

Paul's leadership credentials include serving as Chairman of Mackay Canegrowers, Queensland Canegrowers and Australian Canegrowers. Internationally, he was Vice President of the World Association of Beet and Cane Growers and has represented Australian growers in delegations to countries such as Brazil, Belgium, China, France, Indonesia and Thailand. He has also contributed to the sugar industry as a former director of Queensland Sugar Limited. Paul is a Fellow of the AICD.

Paul is a member of STL's Finance and Audit Committee.

Current directorships/other interests:

Committee of Regional Australia, Greater Whitsundays: Member.

ROHAN WHITMEE

Non-executive Director appointed by M Class shareholders

Appointed 18 June 2021

Rohan is General Manager Procurement, Purchasing and Supply for Wilmar Sugar. He is responsible for the commercial and contractual relationships with Wilmar Sugar's suppliers as well as engaging across all Wilmar owned businesses in Australia and New Zealand and the global Wilmar Group. His experience includes engineering, commercial and management roles across industries including mining, infrastructure, aviation, FMCG and agriculture. He has worked in Australia as well as Indonesia and the US. Rohan holds a Bachelor of Mechanical Engineering (Hons), a Bachelor of Economics from Monash University and an MBA from Melbourne Business School. He is a Graduate Member of the AICD.

Rohan is a member of STL's Safety, Risk and Sustainability Committee.

MARK GREENWOOD

Non-executive Director appointed by M Class shareholders

Appointed 9 April 2024

Mark is General Manager Commercial for Wilmar Sugar and is responsible for sales and marketing as well as strategy and business development. His experience includes commercial negotiations, commercial disputes, detailed financial analysis, strategy and business development, and major capital projects. Mark's career includes roles with Santos, Citi, JP Morgan and Rio Tinto. At Santos he served as a Director of GLNG Operations, an unincorporated joint venture responsible for operating a liquefied natural gas plant. He holds a Bachelor of Chemical Engineering (Hons) with over 30 years' experience across a variety of industries. He is also a Graduate Member of AICD.

Mark is a member of STL's Finance and Audit Committee.



FROM LEFT TO RIGHT: ROHAN WHITMEE, SAM BONANNO, MARK GREENWOOD, PAUL SCHEMBRI, PETER TRIMBLE, MARK GRAY, STEVE KIRBY

MANAGEMENT



DAVID QUINN
Chief Executive
Officer

Appointed
22 October 2020

David is a highly regarded executive with more than 30 years' experience in private and public sector organisations, with a strong focus in the transport, logistics and shipping sectors. Previous roles included as inaugural Chief Executive Officer of Building Queensland as well as senior executive management roles with Linfox, Asciano Group (Patricks and Pacific National), TasRail, GasNet Australia and BHP. He also practised as a Major Projects lawyer with Herbert Smith Freehills based in Melbourne. David holds a Bachelor of Economics from the University of Queensland and Bachelor of Laws with Honours from the University of Melbourne. He was admitted as a Barrister and Solicitor in the Supreme Court of Victoria. David is also a Graduate Member of the AICD.



ROBBIE WHITE
Chief Financial
Officer & Company
Secretary

Appointed
2 September 2024

Robbie has over 20 years of experience gained in a variety of industries, including Construction, Wholesale, Retail and Manufacturing. Prior to joining STL, Robbie was the Chief Financial Officer of Keystone Civil, overseeing the finance, human resources, HSEQ, construction, plant, and logistics areas of the business. Before Keystone, Robbie was the Chief Financial Officer of Luina Bio, with responsibilities for finance, administration, human resources, and ICT. Robbie is a CPA and holds a Bachelor of Commerce (Accounting).



RICHARD HUGHES
Assets &
Engineering
Manager

Appointed
15 March 2021

Richard has over 35 years of international experience in engineering design, construction and asset management for bulk materials handling facilities, heavy industry, transport and utilities. Prior to joining STL, Richard held engineering, project management and asset management roles with government agencies and consulting firms, including Urban Utilities, Gold Coast City Council and the predecessors of Aurecon and AECOM. Richard holds a Bachelor of Engineering and is a Chartered Professional Engineer, an RPEQ and a Certified ISO 55001 Asset Management Assessor.

CORPORATE GOVERNANCE STATEMENT

STL is committed to good corporate governance, consistent with ASX governance principles.

STL's governance framework has evolved with the Company's development and will continue to be refined, in line with the eight principles of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations – 4th edition.

This corporate governance statement outlines STL's governance practices and policies and their compliance with the recommendations.

PRINCIPLE 1:

LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

A listed entity should clearly delineate the respective roles and responsibilities of its board and management and regularly review their performance.

Recommendation 1.1: Board Charter

STL's Board Charter provides detailed information on the operation of the Board and is available on the Company's website. The Board reviews its Charter every two years to ensure compliance with legislation and good governance practices. The Charter was last reviewed in November 2024.

The respective roles of STL's Board of Directors and its management are set out in the Board Charter. The Board is responsible for the overall direction and affairs of the business. Its role is to govern STL rather than to manage it and its main task is to set the strategic direction of the Company and oversee the performance of the CEO and senior management. Senior management's role is to manage the Company in accordance with the directions and delegations of the Board.

The Chair oversees the conduct of the Board and its relations with shareholders and other stakeholders.

Recommendation 1.2: Appointments

STL carefully considers the character, experience, qualifications and skill of potential candidates for appointment as independent Directors of the Board and conducts appropriate checks to verify the suitability of candidates prior to their appointment.

STL has developed a Director Application Form matrix which highlights the skills, knowledge and experience necessary for an STL Director and also provides a summary of Director duties including fiduciary duties, confidentiality obligations and conflict of interest provisions. The Director Application Form is available on the Company's website.

In compliance with the requirements of the STL Constitution, STL provides material information relevant to a decision to elect or re-elect an M Class or G Class Director in the Notice of Meeting provided to shareholders.

Recommendation 1.3: Written agreements

STL provides all Directors and senior executives with a written letter of appointment that sets out the terms of their appointment.

Recommendation 1.4: Company Secretary

STL's Company Secretary is accountable to the Board, through the Chair. The Company Secretary facilitates STL's corporate governance processes and is responsible for coordinating Board meetings and minutes, for communicating with regulatory bodies, and for all statutory and other filings.

Recommendation 1.5: Diversity policy

STL has a diversity and inclusion policy, which is available on the Company's website. The Company is committed to improving the diversity of its workforce.

Recommendation 1.6: Board performance

STL's Board recognises its responsibility to conduct regular evaluations of the performance of the Board and individual Directors. Each year, the Board's performance is evaluated against the requirements of the Board Charter and leading practice principles of good governance.

It is STL's policy that, every three years, the Board engages an independent firm with expertise in Board assessment to facilitate the process. The external review includes a review of the performance of the Chair, individual Directors and Board Committees.

The next review will commence in early 2026 and will be completed in the 2026 calendar year.

Recommendation 1.7: Senior executive performance

STL's Board evaluates the performance of its senior executives annually against goals, targets and other key performance indicators determined by the Board aligned to the strategic direction of STL.

PRINCIPLE 2:

STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE

The board of a listed entity should be of an appropriate size and collectively have the skills, commitment and knowledge of the entity and the industry in which it operates, to enable it to discharge its duties effectively and to add value.

Recommendation 2.1: Nomination committee

The Board as a whole has responsibility for succession planning and for identifying the character, experience, qualifications and skills required for any new independent Director that is appointed to the Board.

Recommendation 2.2: Skills matrix

STL discloses the profiles of its Board members on its website and in its annual report to shareholders. These profiles set out the skills, experience and qualifications of Directors. STL also provides material information relevant to a decision to elect or re-elect an Industry Director in the Notice of Meeting provided to shareholders.

STL has in place a Director Application Form matrix which highlights the skills, knowledge and experience necessary for an STL Director and also provides a summary of Director duties. The Director Application Form is available on the Company's website.

Recommendation 2.3: Director independence

STL discloses the names, length of service, qualifications and experience of all of its Directors on the Company's website and in its annual report. As detailed in STL's Constitution, all Directors have a legal obligation to disclose to the Board any material interest which relates to the business of the Company. STL has in place a formal Conflicts of Interest policy which outlines these legal obligations in more detail. A copy of the Director Conflict of Interest Policy is available on the Company website.

When an issue arises at a Board meeting relating to such an interest, the Board will discuss the matter and where

relevant, will require the Director with the disclosed interest to leave the meeting. The matter will then be discussed further by the remaining non-conflicted Directors and any resolution will be made by the non-conflicted Directors.

The Director with the interest will be notified of any resolution following the finalisation of the meeting.

The Company Secretary maintains a Register of Conflicts of Interest and is confirmed at every meeting of Directors.

Recommendation 2.4: Number of independent directors

STL's Constitution requires that the number of Industry Directors appointed by its M Class and G Class shareholders be equal and exceed the number of Independent Directors by at least one.

During FY25, STL's Board comprised three independent directors for the majority of the year. Following the retirement of one independent director in November, there was a short period where the Board had two independent directors, until a new independent was appointed in December. The Board also included two directors appointed by G Class shareholders and two directors appointed by M Class shareholders.

Recommendation 2.5: Independent chair

The Board Charter requires that STL appoint an independent, non-executive Director as Chair and STL acts in accordance with the Charter. STL currently has an independent Chair.

Recommendation 2.6: Director induction and professional development

New Directors undergo a full induction into their role on the Board. STL has a Board Professional Development Policy that requires Directors to undertake the AICD Company Director course and successfully complete relevant assessments within 12 months of joining the Board (if they have not already done so). Directors are required to maintain relevant Director professional development as outlined by the AICD.





PRINCIPLE 3:

INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY

A listed entity should instil and continually reinforce a culture across the organisation of acting lawfully, ethically and responsibly.

Recommendation 3.1: Values

In 2018, the STL Board adopted five core values for the business: Safe, Sustainable, Service Orientated, Innovative and Independent. These values reflect the qualities inherent in STL's purpose.

Recommendation 3.2: Board code of conduct

The Code of Conduct is included within STL's Board Charter, which is available on the Company website. Any breaches of the Code of Conduct are advised to the Board.

Recommendation 3.3: Whistleblower policy

STL's whistleblower policy is available on the Company's website. In accordance with this policy, the outcome of any whistleblower related investigation must be reported to the STL Board, but the identity of the whistleblower must be kept confidential at all times.

Recommendation 3.4: Anti-bribery and corruption policy

STL's Code of Conduct describes required behaviours and responsibilities of all STL Directors and employees. The Code of Conduct requires any issues related to bribery or corruption to be reported to the Board. The Code of Conduct is available on the Company's website. The Code of Conduct is due for review in 2026.

PRINCIPLE 4:

SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS

A listed entity should have appropriate processes to verify the integrity of its corporate reports.

Recommendation 4.1: Audit committee

STL's Board has a Finance and Audit Committee that comprises three non-executive Directors. The Committee oversees the integrity of financial reporting and effective systems of internal control.

The Charter of the Committee and the qualifications and experience of Committee members are provided on the STL website. Details regarding the number of Committee meetings held and member attendance are published in STL's annual report.

Recommendation 4.2: CEO & CFO declaration

The Chief Executive Officer and Chief Financial Officer each provide a statement to the STL Board with the half yearly and annual financial report to the effect that the Company's risk management and internal compliance and control system is operating efficiently and effectively in all material respects.

Recommendation 4.3: External audit

STL's annual and half year reports are externally audited by independent auditors. The process is overseen by the Board's Finance and Audit Committee and managed by STL's CFO.



PRINCIPLE 5:

MAKE TIMELY AND BALANCED DISCLOSURE

A listed entity should make timely and balanced disclosure of all matters concerning it that a reasonable person would expect to have a material effect on the price or value of its securities.

Recommendation 5.1: Disclosure policy

The Board's commitment to compliance with continuous disclosure under the NSX listing rules is contained within the STL Board Charter, which is available on the Company's website.

Continuous disclosure is a standing item for all Board meetings.

Recommendation 5.2: Distribution of material announcements

STL's Company Secretary ensures the Board receives copies of all market sensitive announcements as soon as they have been released to the NSX. Announcements are also published on the STL website.

Recommendation 5.3: Disclosure of new or substantive presentations

Presentations that provide new or substantive information about STL are released to the NSX and posted on the STL website by the Company Secretary in a timely manner.

PRINCIPLE 6:

RESPECT THE RIGHTS OF SECURITY HOLDERS

A listed entity should provide its security holders with appropriate information and facilities to allow them to exercise their rights as security holders effectively.

Recommendation 6.1: Website

STL's Company Secretary provides information about the Company, its strategic direction and corporate governance via the STL website: sugarterminals.com.au.

Recommendation 6.2: Investor relations program

STL's stakeholder engagement policy requires STL to allocate appropriate resources to give due consideration and respond to concerns of its investors. STL commits to holding three STL Board meetings per year at its bulk sugar terminals and aims to visit each terminal within a 2 year timeframe.

Recommendation 6.3: Shareholder participation

STL encourages shareholder attendance at general meetings and welcomes questions from investors. For those who cannot attend the meeting in person, meetings are webcast live to shareholders with a recording of the webcast posted to the STL website following the meeting. The Company Secretary publishes all materials released at the Annual General Meeting on the Company's website.

Recommendation 6.4: Substantive resolutions

All substantive resolutions at a meeting of STL security holders are decided by a poll.

Recommendation 6.5: Electronic communications

STL and its share registry manager MUFG Corporate Markets provides all shareholders with the option to receive and send Company communications electronically.



PRINCIPLE 7:

RECOGNISE AND MANAGE RISK

A listed entity should establish a sound risk management framework and periodically review the effectiveness of that framework.

Recommendation 7.1: Risk committee(s)

STL's Board has a Safety, Risk and Sustainability Committee, which is committed to safeguarding the people and environment associated with STL's operations. The Committee comprises of three non-executive Directors.

The Charter of the Committee and the qualifications and experience of Committee members are available on the STL website. Details regarding the number of Committee meetings and member attendance are published in STL's annual report.

Recommendation 7.2: Risk review

Through its Safety, Risk and Sustainability Committee, STL's Board ensures that the Company has an appropriate risk management framework.

STL undertakes an annual review of strategy and operations to update its risk profile in line with the risk appetite set by the Board in conjunction with management.

Recommendation 7.3: Internal audit

The STL Board ensures that the Company has an appropriate risk management framework through its Safety, Risk and Sustainability Committee, which is responsible for evaluating and continually improving its risk management practices and the effectiveness of its internal controls.

STL has no dedicated resource for Internal Audit functions.

Recommendation 7.4: Material exposure to environment and social risks

STL assesses its material exposure to environmental and social risks through the STL risk management framework. Where STL has a material exposure to environmental and social risks (including modern slavery), these are reported in STL's annual report.

STL has included a sustainability disclosure in its annual report which provides its approach to managing sustainability impacts.

PRINCIPLE 8:

REMUNERATE FAIRLY AND RESPONSIBLY

A listed entity should pay director remuneration sufficient to attract and retain high quality directors and design its executive remuneration to attract, retain and motivate high quality senior executives and to align their interests with the creation of value for security holders and with the entity's values and risk appetite.

Recommendation 8.1: Remuneration committee

The full Board has responsibility for the functions associated with remuneration of Directors and senior executives. Subject to ratification by the Board, the CEO is responsible for overseeing changes to remuneration arrangements, performance targets and assessments for direct reports.

Recommendation 8.2: Remuneration policies and practices

STL sets out its policies and practice for the remuneration of Directors and senior executives in its annual remuneration report, which is published within the Company's annual report.

Independent benchmarking is conducted to determine appropriate levels of remuneration for Directors and senior executives.

Recommendation 8.3: Equity-based remuneration

The STL constitution limits shares on issue by the Company to M Class shares and G Class shares. M Class shares can only be issued to Active Millers. G Class shares can only be issued to Active Growers. Due to these limitations, STL does not have an equity-based remuneration scheme.

SUSTAINABILITY REPORT

Sustainability is embedded in STL's core purpose and values. We recognise its importance in meeting community and regulatory standards, building strong relationships with our stakeholders, delivering exceptional services to customers and driving long-term business value.

Our Sustainability Policy outlines our commitment to a culture that prioritises:

- The health, safety and wellbeing of our people, industry and communities
- Environmental protection
- Sound governance

The Board's Safety, Risk and Sustainability Committee oversees strategy, compliance, risks and opportunities related to sustainability. The Committee regularly monitors progress to ensure continued accountability and improvement.

OUR APPROACH TO SUSTAINABILITY

Our Sustainability strategy is built around 4 key pillars: People, Environment, Community & Industry and Business Performance.



SUSTAINABILITY DISCLOSURE CONTINUED

PEOPLE

The health, safety and well-being of our people are paramount, whether they be employees, contractors or visitors to our sites.

STL recognise and deliver this through policies, standards and processes that hold us accountable for: ensuring safety in the workplace; providing staff with the tools and training they need to fulfil their duties, adopt change and think innovatively; embracing diversity and inclusion; and providing flexibility to support work-life balance.

ENVIRONMENT

With 6 terminals on the Queensland coastline and most within the Great Barrier Reef World Heritage Area STL recognises its responsibility to minimise its environmental footprint and operate in a manner that contributes to the ongoing health of coastal waters as well as minimise any pollution associated with noise, dust, spillage and waste.

We achieve this in a variety of ways including: capital projects aligned with sweet water minimisation and irrigation activities; maintaining ISO45001 and ISO14001 certifications for all Bulk Sugar Terminals; and holding our Operations Contractor accountable for compliance with our Environmental Management Standard.

Climate Change

STL also recognises the threat that climate change poses to global agriculture, trade and coastal infrastructure. As a critical gateway for Australia's sugar trade, we are committed to operating responsibly and sustainably in the face of climate-related challenges.

We do this through: actively monitoring climate risks – including sea level rise, extreme weather events and temperature fluctuations – and integrating adaptive measures into our infrastructure planning, operations and insurance strategies; striving to continually improve our climate-related strategies and performance management processes, aligning with national and international sustainability frameworks; and consistently exploring options for transitioning to renewable energy such as solar power generation and the use of biofuels.

COMMUNITY AND INDUSTRY

STL ensures best practice storage and handling services which are a critical part of the supply chain that supports the Australian Sugar industry, from growers and millers to marketers and customers.

Engagement is maintained through monthly newsletters, NSX updates, regular Board meetings held in regions where STL and many sugar industry participants operate, and multiple stakeholder events.

STL recognise that our long-term sustainability is fundamentally connected to the resilience and sustainability of the broader industry. This understanding continues to shape our strategic decisions and future planning.

BUSINESS PERFORMANCE

Sustainability underpins STL's ability to provide ongoing value to our shareholders, customers and stakeholders.

This extends to: investing in our assets to ensure they are operating efficiently and effectively; working collaboratively with our partners to drive efficiencies in our supply chain; exploring new options for diversifying income streams that optimise returns from our assets; and providing comprehensive ethical governance that ensures STL meet the standards expected by its stakeholders, communities and regulators.

FUTURE OUTLOOK AND PRIORITIES

Looking ahead, STL is focused on:

- enhancing our Sustainability Framework, Policies and Initiatives
- preparing for compliance with new climate-related financial disclosures, mandated from 1 July 2027, which address Governance, Strategy, Risk Management, Metrics and Targets related to climate change
- adopting a phased approach to disclosure rollout to improve transparency and stakeholder confidence
- exploring opportunities for investing in renewable energy sources to further decarbonise STL's infrastructure
- increasing income diversification strategies for selected terminal sites
- leveraging data to better track sustainability KPIs and drive performance



DIRECTORS' REPORT

1. PRINCIPAL ACTIVITIES

STL provides sustainable and globally competitive storage and handling solutions for bulk sugar and other commodities.

STL has in place various contractual arrangements which underpin its future operations. During 2025 STL signed a new two-year storage and handling agreement with five of its six raw sugar customers and is applying the terms and benefits of the new agreement to all six customers. This agreement came into effect on 1 July 2025. The agreement expires on 30 June 2027 and includes an option to extend for a further 12 month period. Queensland Sugar Limited (QSL) has not yet signed the new agreement. However, QSL continue to utilise STL's storage and handling services and continues to pay the charges applying to these services under the new terms and conditions.

STL also currently has in place an operating agreement with QSL as its key operations contractor, with a term to 30 June 2026. On the 30 January 2023, STL announced its decision to insource the operations of its six bulk sugar terminals and therefore terminate the operating agreement with QSL. The decision was made to better position STL to serve the sugar industry in the future by simplifying the operating structure and providing directors with greater transparency to fulfil their fiduciary duties. Under the terms of the operating agreement, this transition is to occur no later than 30 June 2026 with transition activities currently underway.

Both of these changes will result in customers receiving significant cost savings in the form of lower storage and handling charges and directors expect that a share of these savings will flow through to growers.

2. REVIEW OF OPERATIONS AND FINANCIAL PERFORMANCE

STL revenue for the year ended 30 June 2025 was \$118.5 million 2.7% above last year (2024: \$115.4 million). The revenue from bulk sugar handling was \$114.9 million (2024: \$112.1 million), represented by revenue for availability charges and revenue from terminal activity and testing charges. Terminal activity and testing charges are a direct recovery, from customers, of costs incurred without margin or mark up.

The profit attributable to STL shareholders has declined by 0.6% to \$32.3 million (2024 \$32.5 million) as a result of the Board's decision to provide customers with a one off \$1.8M rebate in September 2024. This result is in line with STL's ongoing objective to achieve stable, reliable and sustainable returns to our shareholders, whilst ensuring competitive costs for customers.

Five year comparative performance and financial position is summarised below. STL adopted its current operating model in FY18.

Comparative financial information

	2025 \$'000	2024 \$'000	2023 \$'000	2022 \$'000	2021 \$'000
Revenue from continuing operations	118,510	115,375	105,468	101,587	98,793
Profit attributable to shareholders	32,277	32,470	29,150	27,857	27,123
Balance sheet					
Current assets	40,732	37,711	34,750	28,648	32,893
Non-current assets	346,441	343,446	344,777	345,650	341,531
Current liabilities	(27,935)	(23,829)	(20,986)	(20,133)	(22,643)
Non-current liabilities	(16,390)	(17,132)	(19,863)	(17,277)	(16,470)
Net assets	342,848	340,197	338,678	336,888	335,311

3. DIVIDENDS

Dividends provided for or paid to members during the financial year were as follows:

	2025 \$'000	2024 \$'000
Final dividend for the year ended 30 June 2024 of 4.1 cents per share (2023 – 3.9 cents per share), fully franked based on applicable tax rate of 30%, paid on 3 October 2024.	14,760	14,040
Interim dividend for the year ended 30 June 2025 of 4.1 cents per share (2024 – 4.0 cents per share), fully franked based applicable tax rate of 30%, paid on 4 April 2025.	14,760	14,400
	29,520	28,440

On 9 September 2025, the Directors determined that a final ordinary dividend of \$12.96 million (3.6 cents per fully paid share), fully franked based on the applicable tax rate at 30%, will be paid on 9 October 2025 to shareholders whose names are recorded on the Register on 22 September 2025.

4. MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

The new Storage and Handling Agreement (SHA) came into effect from 1 July 2025. As foreshadowed when the company announced the signing, the financial effect is aimed at reducing STL's targeted return on assets to 7.1%, in line with our return in 2017 when STL's current business model was implemented. In conjunction with the one-off impact of costs associated with insourcing operations, this is forecast to reduce FY26 Net Profit After Tax and dividends by 10–15%.

No other matter or circumstance has arisen since 30 June 2025 that has significantly affected the Company's operations, results or state of affairs, or may do so in future years.

DIRECTORS' REPORT CONTINUED

5. ENVIRONMENTAL REGULATION

From 1 July 2017, STL has responsibility for the environmental impact of the terminals and maintains, via the operating agreement with QSL, the environmental licences under the *Environmental Protection Act 1994*.

6. INFORMATION ON DIRECTORS AND COMPANY SECRETARY

The following persons were Directors of STL during the whole or part of the financial year and up to the date of this report:

Mr Mark (Alan) Gray
 Mr Anthony (Tony) Bartolo¹
 Mr Salvatore (Sam) Bonanno
 Mr Mark Greenwood
 Mr Steven (Steve) Kirby
 Ms Leanne M Muller²
 Mr Paul Schembri³
 Mr Peter Trimble⁴
 Mr Rohan Whitmee

1 Mr Tony Bartolo was a Director from the beginning of the period until his retirement on 20 November 2024.

2 Ms Leanne Muller was a Director from the beginning of the period until her retirement on 20 November 2024.

3 Mr Paul Schembri was appointed a Director on 12 December 2024 and continues as at the date of this report.

4 Mr Peter Trimble was appointed a Director on 18 December 2024 and continues as at the date of this report.

Mr Chris Wagner was the Company Secretary from the beginning of the period, until his resignation on 30 August 2024.

Mr Robbie White was appointed the Company Secretary on the 2 September 2024 and continues in office at the date of this report.

Further information on Directors and the Company Secretary is provided on pages 6 to 7.

7. MEETINGS OF DIRECTORS

The number of meetings of the Company's Board of Directors and of each Board Committee held during the year ended 30 June 2025, and the numbers of meetings attended by each Director were:

	Full meetings of Directors		Meetings of committees					
			Safety, Risk and Sustainability		Finance and Audit		Inactive Growers	
	A	B	A	B	A	B	A	B
M Gray	8	8	*	*	*	*	1	1
A Bartolo	3	3	*	*	1	1	1	1
S Bonanno	8	7	3	3	*	*	*	*
M Greenwood	8	7	*	*	3	3	*	*
S Kirby	8	7	3	1	*	*	1	1
L Muller	3	3	*	*	1	1	1	0
P Schembri	5	5	*	*	2	2	*	*
P Trimble	4	4	*	*	2	2	*	*
R Whitmee	8	6	3	2	*	*	1	1

A= Number of meetings held during the time the director held office or was a member of the committee during the year.

B= Number of meetings attended

*= not a member of the relevant committee for the full year

8. REMUNERATION REPORT

The information provided in this remuneration report has been audited as required by section 308 (3C) of the *Corporations Act 2001*.

PRINCIPLES USED TO DETERMINE THE NATURE AND AMOUNT OF REMUNERATION

The objective of the Company's remuneration framework is to ensure that reward for performance is competitive and appropriate for the results delivered. The framework aligns remuneration with the achievement of strategic objectives and the creation of value for shareholders. The Board ensures that remuneration satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness
- acceptability to shareholders
- transparency
- capital management.

The Company has structured a remuneration framework that is market competitive and complementary to the reward strategy of the organisation. Directors are not eligible for performance bonuses.

Non-executive Directors

Fees and payments to non-executive Directors reflect the duties and responsibilities of STL Directors. Non-executive Directors' fees are reviewed periodically by the Board. The last market review of independent Director fees was in 2017 in preparation for the new business model and the recruitment of additional independent Directors.

Directors are appointed for a term not exceeding 3 years and each Director is subject to retirement by rotation in line with the constitution. A Director may only be appointed for a maximum of 3 consecutive terms. No notice is required for termination.

DIRECTORS' FEES

The Directors' remuneration is reviewed with effect from 1 July each year, as set out in the table below. Directors are not entitled to retirement allowances or termination payments.

Directors receive an additional fee to Chair a committee. There is no additional fee for any Director or the Chair for participating in a committee.

Directors' fees are determined within an aggregate Directors' fee pool limit, which is periodically subject to approval by shareholders. The maximum aggregate annual amount currently is \$630,000 which was approved by shareholders at the STL AGM on the 20 November 2024.

The following fees per annum (inclusive of statutory superannuation) have applied:

	2025	2024
Chair	\$117,039	\$113,121
Independent non-executive Directors	\$70,223	\$67,872
Non-executive Directors appointed by G & M Class shareholders	\$70,223	\$67,872
Committee Chair Allowance	\$5,675	\$5,485

Executive pay

The Chief Executive Officer, Chief Financial Officer and Assets & Engineering Manager's employment contracts do not have a minimum term. The Chief Executive Officer's employment contract stipulates a 6 months' notice of termination. The Chief Financial Officer's employment contract stipulates a 4 months' notice of termination and Assets & Engineering Manager's contract incorporates a 3 months' notice of termination.

The executive pay and reward framework has three components:

- base pay and benefits
- short-term performance incentives
- other remuneration such as superannuation.

Base pay

Executives are offered a competitive base pay, which is reviewed annually to ensure the remuneration is in line with the market. In FY22, the Board commissioned an external benchmarking study of executive remuneration to assist in its assessment of the remuneration of key management personnel.

As at 30 June 2025, the fixed remuneration for the Chief Executive Officer is \$466,329 (inclusive of superannuation), the Chief Financial Officer is \$309,932 (inclusive of superannuation) and the Assets & Engineering Manager is \$253,227 (inclusive of superannuation). There are no guaranteed base pay increases fixed into management contracts.

Benefits

A car parking benefit is provided to the Chief Executive Officer. No other benefits were paid during the year.

Short-term incentives

Executive pay incorporates the opportunity to earn a short-term performance incentive (STI). Each year the Board considers appropriate key performance indicators, financial and non-financial targets for executives and evaluates performance against these targets. STI payments may be adjusted according to achievements against the targets, at the discretion of the Board.

The performance metrics are aligned with STL's 7 Key Success Areas eg Safety, Customer Service, Asset Stewardship, Finance, Innovation & Improvement, Income Diversification and Working Together

In FY25:

- the Chief Executive Officer was entitled to a STI Bonus Plan of up to 40% of remuneration.
- the Chief Financial Officer was entitled to a STI Bonus Plan of up to 20% of remuneration.
- the Assets & Engineering Manager was entitled to a STI Bonus Plan of up to 20% of remuneration.

Executive remuneration does not incorporate any long-term performance incentives.

DIRECTORS' REPORT CONTINUED

The following table provides an overview of a number of factors affecting shareholder value over the past five years:

	2025 \$'000	2024 \$'000	2023 \$'000	2022 \$'000	2021 \$'000
Profit attributable to members of STL	32,277	32,470	29,151	27,857	27,123
Dividends (paid during the year)					
Final dividend relating to prior year	14,760	14,040	13,320	12,960	12,960
Interim dividend relating to current year	14,760	14,400	14,040	13,320	12,960
Earnings per share (basic)	8.97	9.02	8.10	7.74	7.53
Share price at 30 June (\$)	\$1.00	\$1.08	\$1.08	\$1.03	\$1.03

Details of remuneration

Details of the remuneration of each Director and executives of STL are set out in the following tables.

2025	SHORT-TERM BENEFITS					POST- EMPLOYMENT BENEFITS (Superannuation)	TOTAL
	Cash salary and fees	Cash Bonus	Leave benefits ¹	Non- monetary benefits ²	Other – termination benefit		
Name	\$	\$	\$	\$	\$	\$	\$
<i>Non-executive Directors</i>							
M Gray (Chair)	104,968	–	–	–	–	12,071	117,039
A Bartolo	24,492	–	–	–	–	2,817	27,309
S Bonanno	68,070	–	–	–	–	7,828	75,898
M Greenwood	62,981	–	–	–	–	7,243	70,223
S Kirby	62,981	–	–	–	–	7,243	70,223
L Muller	26,472	–	–	–	–	3,044	29,516
P Schembri	34,830	–	–	–	–	4,005	38,836
P Trimble	36,614	–	–	–	–	4,211	40,824
R Whitmee	62,981	–	–	–	–	7,243	70,223
Subtotal non-executive Directors	484,388	–	–	–	–	55,704	540,093
<i>Executives</i>							
D Quinn	436,542	167,879	22,126	6,105	–	29,787	662,439
C Wagner	45,108	–	–	–	–	4,843	49,951
R White	238,636	36,741	13,167	–	–	25,510	314,054
R Hughes	224,027	39,426	5,964	–	–	29,316	298,734
Total	1,428,702	244,046	41,257	6,105	–	145,161	1,865,270

2024	SHORT-TERM BENEFITS					POST- EMPLOYMENT BENEFITS (Superannuation)	TOTAL
	Cash salary and fees	Cash Bonus	Leave benefits ¹	Non- monetary benefits ²	Other – termination benefit		
Name	\$	\$	\$	\$	\$	\$	\$
<i>Non-executive Directors</i>							
M Gray (Chair)	101,910	–	–	–	–	11,210	113,120
A Bartolo	61,147	–	–	–	–	6,726	67,873
S Bonanno	66,087	–	–	–	–	7,270	73,357
S Calcagno	25,973	–	–	–	–	2,857	28,830
I Davies	37,250	–	–	–	–	4,616	41,867
M Greenwood	13,588	–	–	–	–	1,495	15,083
S Kirby	35,669	–	–	–	–	3,924	39,592
L Muller	66,087	–	–	–	–	7,270	73,357
R Whitmee	61,194	–	–	–	–	6,107	67,301
Subtotal non-executive Directors	468,904	–	–	–	–	51,475	520,379
<i>Executives</i>							
D Quinn	404,280	164,079	32,946	6,035	–	27,526	634,866
C Wagner	257,535	–	6,408	–	–	27,493	291,436
R Hughes	213,699	27,710	(5,231)	–	–	30,724	266,901
Total	1,344,419	191,788	34,123	6,035	–	137,217	1,713,582

1 Leave benefits includes the net movement of short-term benefit such as annual leave

2 Non-monetary benefits include car parking

Share-based compensation

The Company does not have a share-based compensation plan. Directors and executives do not have any rights to subscribe for equity or debt securities of the Company.

Additional information

There are no loans to Directors or executives.

9. NON-AUDIT SERVICES

BDO was appointed as STL's auditor at the Company's AGM held on 26 October 2022.

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company is important.

Details of the amounts paid or payable to BDO for non-audit services provided during the year are set out below:

	2025 \$	2024 \$
Non-audit services		
BDO Australian firm:		
Taxation compliance services	10,125	9,650
Taxation advice services	6,643	—
Consulting services	18,492	3,180
Administration charges – Other Services	1,093	10
		—
	36,353	12,840

10. AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under Section 307C of the *Corporation Act 2001* is set out on page 20.

11. INSURANCE OF OFFICERS

Premiums have been paid in respect of policies of insurance for current and former directors and officers. Disclosure of the nature of the liabilities insured by these contracts and the premiums paid under these contracts of insurance is prohibited by the terms of the contracts.

12. PROCEEDINGS ON BEHALF OF COMPANY

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

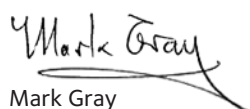
No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001*.

13. ROUNDING OF AMOUNTS

STL is an entity to which ASIC Legislative Instrument 2016/191 applies. In accordance with that instrument, amounts in the financial report have been rounded off to the nearest thousand dollars, or in certain cases, to the nearest dollar. For presentation purposes, amounts may be shown rounded to the nearest million dollars in the narrative sections of the report, while detailed tables are presented in thousands of dollars.

14. AUDITOR

Following appointment as the Company auditor at the AGM held on the 26 October 2022, BDO continues in office in accordance with Section 327 of the *Corporations Act 2001*.



Mark Gray
Chair

Brisbane
9 September 2025

This report is made in accordance with a resolution of the Directors.

AUDITOR'S INDEPENDENCE DECLARATION



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DECLARATION OF INDEPENDENCE BY C K HENRY TO THE DIRECTORS OF SUGAR TERMINALS LIMITED

As lead auditor of Sugar Terminals Limited for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Sugar Terminals Limited.

A handwritten signature in black ink, appearing to read 'C K Henry', with a stylized flourish at the end.

C K Henry
Director

BDO Audit Pty Ltd

Brisbane, 9 September 2025

ANNUAL FINANCIAL REPORT 30 JUNE 2025

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STATEMENT OF PROFIT & LOSS AND COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2025

	Notes	2025 \$'000	2024 \$'000
Revenue from continuing operations	2	118,510	115,375
Operating expenses	3	(49,097)	(45,362)
Depreciation expenses	3	(15,791)	(15,653)
Insurance expense		(3,608)	(4,295)
Employee benefits expense	3	(2,214)	(1,972)
Professional fees expense		(1,035)	(1,003)
Net loss on disposal of property, plant & equipment		(116)	(191)
Operating profit		46,649	46,899
Finance costs	11	(145)	(127)
Profit before income tax		46,504	46,772
Income tax expense	4	(14,227)	(14,302)
Profit for the year		32,277	32,470
Other comprehensive income		-	-
Total comprehensive income		32,277	32,470
		2025 Cents	2024 Cents
Earnings per share from continuing operations attributable to the ordinary equity holders of the Company			
Basic and diluted earnings per share	5	8.97	9.02

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 30 JUNE 2025

	Notes	2025 \$'000	2024 \$'000
Assets			
Current assets			
Cash and cash equivalents	6	32,795	25,842
Trade and other receivables	8	7,881	2,814
Other financial assets	7	56	9,055
Total current assets		40,732	37,711
Non-current assets			
Property, plant and equipment	9	341,793	338,887
Intangible assets	10	2,521	2,594
Right-of-use asset	11	2,128	1,965
Total non-current assets		346,442	343,446
Total assets		387,174	381,158
Liabilities			
Current liabilities			
Trade and other payables	12	24,575	18,966
Current tax liabilities		3,108	4,613
Lease liabilities	11	253	250
Total current liabilities		27,936	23,829
Non-current liabilities			
Net deferred tax liabilities	13	12,994	14,068
Lease liabilities	11	3,396	3,064
Total non-current liabilities		16,390	17,132
Total liabilities		44,326	40,961
Net assets		342,848	340,196
Equity			
Contributed equity	15	317,628	317,628
Retained earnings	16	25,220	22,568
Total equity		342,848	340,196

The above statement of financial position should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2025

	Notes	Contributed equity \$'000	Retained earnings \$'000	Total \$'000
Balance at 30 June 2023		317,628	21,051	338,679
Profit for the year		–	32,470	32,470
Prior year adjustment		–	(2,513)	(2,513)
Total comprehensive income for the year		–	29,957	29,957
Transactions with owners in their capacity as owners				
Dividends provided for or paid	14	–	(28,440)	(28,440)
Balance at 30 June 2024		317,628	22,568	340,196
Profit for the year		–	32,277	32,277
Prior year adjustment		–	(106)	(106)
Total comprehensive income for the year		–	32,171	32,171
Transactions with owners in their capacity as owners				
Dividends provided for or paid	14	–	(29,520)	(29,520)
Balance at 30 June 2025		317,628	25,220	342,848

The above statement of changes in equity should be read in conjunction with the accompanying notes.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2025

	Notes	2025 \$'000	2024 \$'000
Cash flows from operating activities			
Receipts from customers (inclusive of goods and services tax)		122,274	127,810
Payments to suppliers and employees (inclusive of goods and services tax)		(63,178)	(65,693)
		59,096	62,117
Interest received		1,481	1,191
Interest paid		(145)	(126)
Income taxes paid		(16,761)	(12,091)
Net cash inflow from operating activities	24	43,671	51,091
Cash flows from investing activities			
Payments for property, plant & equipment		(15,794)	(14,801)
Payments for intangibles		(296)	–
Proceeds from redemption of financial assets		8,998	(9,000)
Net cash (outflow) from investing activities		(7,092)	(23,801)
Cash flows from financing activities			
Dividends paid to Company's shareholders		(29,520)	(28,440)
Principal element of lease payment		(106)	(99)
Net cash (outflow) from financing activities		(29,626)	(28,539)
Net increase/ (decrease) in cash and cash equivalents		6,953	(1,249)
Cash and cash equivalents at the beginning of the financial year		25,842	27,091
Cash and cash equivalents at the end of the year	6	32,795	25,842

The above statement of cash flows should be read in conjunction with the accompanying notes.

NOTES TO FINANCIAL STATEMENTS

30 JUNE 2025

ABOUT THIS REPORT

The principal accounting policies adopted by Sugar Terminals Limited (STL or the Company) in preparation of the financial report are set out below and in the following notes to the financial statements. These policies are consistent with those of the previous financial year, unless otherwise stated.

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*. STL is a for-profit entity for the purpose of preparing these financial statements.

Compliance with IFRS

These financial statements also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Historical Cost Convention

These financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities, and certain classes of property, plant and equipment which have been measured at fair value.

New and amended standards adopted by STL

STL has adopted all new and revised accounting standards and interpretations issued by the AASB that are relevant to STL and to be implemented for an accounting period that begins on or after 1 July 2024. There was no impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

New standards and interpretations not yet adopted

With the exception of AASB 18 Presentation and Disclosure in Financial Statements, which STL is currently assessing for potential impact, the other new accounting standards and amendments are not expected to have a material effect on STL's financial position or performance when applied in future periods. However, they are anticipated to significantly affect the presentation and the nature and extent of disclosures within the Financial Statements.

Going concern

These financial statements have been prepared on the basis that STL is a going concern, able to realise assets and settle liabilities in the ordinary course of business.

STL signed a new two-year storage and handling agreement with five of its six raw sugar customers with effect from 1 July 2025. The terms of this new storage and handling agreement will apply to all of STL's raw sugar customers who utilise STL's services during the two year term. The agreement expires on 30 June 2027 and includes options to extend for a further one year.

STL's other raw sugar marketing customer, Queensland Sugar Limited (QSL), has not yet signed the new agreement. However, QSL continues to utilise STL's storage and handling services and continues to pay most of the charges applying to these services.

Accordingly, the Directors have prepared the financial report on a going concern basis.

Functional and presentation currency

Items included in the financial statements of STL are measured using the currency of the primary economic environment in which STL operates ("the functional currency"). The financial statements are presented in Australian dollars (\$), which is STL's functional and presentation currency.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable, or payable to, the taxation authority is included with other receivables or other payables in the balance sheet.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the taxation authority, are presented as operating cash flows.

Significant judgements and estimates

In the process of applying STL's accounting policies, management is required to exercise its judgement and apply estimates of future events.

The areas involving significant estimates or judgements are the application of accounting policies including asset capitalisation (Note 9), leases (Note 11) and the estimation of environmental remediation in contingent liabilities (Note 17).

Rounding of Amounts

STL is an entity to which ASIC Legislative Instrument 2016/191 applies. In accordance with that instrument, amounts in the financial report have been rounded off to the nearest thousand dollars, or in certain cases, to the nearest dollar. For presentation purposes, amounts may be shown rounded to the nearest million dollars in the narrative sections of the report, while detailed tables are presented in thousands of dollars.

Corporate Information

A description of the Company's operations and its principal activities is included in the review of operations and activities on page 13 of the Directors' report which is not part of this financial report.

The financial report was authorised for issue by the Directors on 9 September 2025. The Directors have the power to amend and reissue the financial report.

All press releases, financial reports and other information are available on the Company website www.sugarterminals.com.au.

STL is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Sugar Terminals Limited

Level 11
348 Edward Street
Brisbane QLD 4000

NOTE 1 SEGMENT INFORMATION

OPERATING SEGMENTS

STL's operations are monitored by key management as one operating segment, and this is how the results are reported internally and how the business is managed. The Chief Executive Officer and the Board assess the performance of the Company based on net profit after tax.

NOTE 2 REVENUE

a) Disaggregation of revenue from contracts with customers

	<u>Revenue from Contracts with customers</u>		<u>Other income</u>	<u>Total</u>
	<u>Storage & handling – raw sugar \$'000</u>	<u>Storage & handling – other \$'000</u>	<u>\$'000</u>	<u>\$'000</u>
2025				
At a point in time	–	866	1,442	2,308
Over time	114,911	1,291	–	116,202
	114,911	2,157	1,442	118,510
2024				
At a point in time	–	1,038	1,244	2,282
Over time	112,085	1,008	–	113,093
	112,085	2,046	1,244	115,375

b) Revenue recognised in relation to contract liabilities

	2025 \$'000	2024 \$'000
Revenue recognised that was included in the contract liability balance at the beginning of the period		
Storage and handling – raw sugar	4,674	4,621
Storage and handling – other	0	148
	4,674	4,769

STL measures revenue at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of duties and taxes paid. STL revenue is recognised for the major business activities as follows:

c) Revenue from contracts with customers

Storage and handling services – raw sugar:

In the storage and handling contracts with raw sugar customers, there is a single performance obligation for STL to stand-ready to provide capacity to its customers for an integrated service of providing storage, receiving, outloading and testing during the financial year. The key factor that leads to the determination of a single stand-ready performance obligation is STL's commitment to provide customers with storage capacity for a 12 month period based upon a defined nomination process. There are no limits on activity (receival or outloading) services or the timing of those services.

Revenue from storage and handling agreements with raw sugar customers is recognised using a straight-line method, as storage and handling facilities are available and utilised by customers over a 12 month period. While there are peak months of receipts during harvest season, the stand ready arrangements provide customers with the flexibility to make real time economic decisions on storage and handling of raw sugar dependent on market conditions. Customers benefit from STL standing ready to satisfy the performance obligation and are therefore considered to derive equal value throughout the contract period.

The activity (receival or outloading) and testing services provided by STL for raw sugar are not considered to be distinct from the overall integrated storage and handling service obligations of STL to provide customers with a capped volume of available capacity throughout the year.

Other customer specific charges are not considered to be performance obligations in the contract on the basis that they are not performed until requested by the customer. Such services are accounted for as revenue when performed.

Storage and handling services – other:

Revenue from other storage and handling services are recognised either using a straight-line method or at a point in time, depending upon the type of services provided.

d) Other revenue

Other revenue is comprised of the following:

Interest revenue:

Interest revenue is recognised as it accrues using the effective interest rate method.

NOTES TO FINANCIAL STATEMENTS 30 JUNE 2025

NOTE 3 EXPENSES

	2025 \$'000	2024 \$'000
Profit before income tax includes the following specific expenses:		
Expenses		
Operating expenses		
Operations contractor fee	44,066	41,243
Analytical services fee	1,638	1,644
Outgoings and licence fees	2,057	1,959
Other operating expenses	1,336	516
Total operating expenses	49,097	45,362
Employee benefit expense		
Defined contribution superannuation	181	165
Employee remuneration and other benefits	2,033	1,807
Total employee benefit expense	2,214	1,972
Depreciation		
Land	128	128
Property, Plant and Equipment	15,104	15,044
CUI Assets	122	88
Intangible assets	309	272
Right of use assets	128	121
Total depreciation	15,791	15,653

Operations contractor fee

STL currently achieves outcomes at its six bulk sugar terminals through the operating agreement with QSL as an operations contractor, with a term to 30 June 2026. On the 30th January 2023, STL announced its decision to insource the operations of its six bulk sugar terminals and therefore terminate its operating agreement with QSL. Under the terms of the operating agreement with QSL, this transition is to occur no later than 30 June 2026 and STL is engaging with QSL on suitable transition arrangements.

Analytical services

STL has in place a three-year agreement with Gateway Laboratories for the supply of analytical services, with a term to 30 June 2026.

Employee benefits expense

Contributions are made by STL to an employee's superannuation fund and are charged as expenses when incurred.

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date, incurred but not paid are recognised in expenses in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Liabilities for employee short term incentives are recognised as an expense when there is a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made. Settlement occurs within 12 months and is measured at the amounts expected to be paid when they are settled.

NOTE 4 INCOME TAX

	2025 \$'000	2024 \$'000
a) Income tax expense		
Current taxation	15,214	17,028
Deferred tax relating to the increase (decrease) in deferred tax liabilities (Note 13)	(987)	(2,721)
Under/over provision	0	(6)
	14,227	14,302
b) Numerical reconciliation of income tax expense to prima facie tax payable		
Profit from continuing operations before income tax expense	46,504	46,772
Income tax calculated at the Australian corporate tax rate of 30% (2023 – 30%)	13,951	14,032
Tax effect of permanent differences:		
Non-deductible depreciation	276	276
Under/over provision	0	(6)
Income tax expense	14,227	14,302
Effective tax rate (income tax expense as a percentage of profit before tax)	30.6%	30.6%

Income tax expense for the period is the tax payable on the current period's taxable income based on the current income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

NOTE 5 EARNINGS PER SHARE

	2025 Cents	2024 Cents
a) Basic and diluted earnings per share		
From continuing operations attributable to the ordinary equity holders of STL	8.97	9.02
b) Reconciliation of earnings used in calculating earnings per share	\$'000	\$'000
<i>Basic and diluted earnings per share</i>		
Profit attributable to the ordinary equity holders of the Company used in calculating basic earnings per share	32,277	32,470
c) Weighted average number of shares used as the denominator	Number	Number
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	360,000,000	360,000,000

Basic earnings per share

Basic earnings per share is calculated as profit attributable to STL equity holders divided by the weighted average number of ordinary shares.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

NOTE 6 CASH AND CASH EQUIVALENTS

	2025 \$'000	2024 \$'000
Cash at bank and on hand	32,795	25,842
	32,795	25,842
a) Reconciliation to cash flow statement		
The above figures reconcile to the amount of cash shown in the statement of cash flows at the end of the financial year as follows:		
Balances as above	32,795	25,842
Balances per statement of cash flows	32,795	25,842

b) Cash at bank and on hand

Cash at bank earns a floating interest rate of 3.85%, which is the rate at 30 June 2025 (2024 – 4.35%).

For cash flow statement presentation purposes:

- cash on hand
- other short-term, highly liquid investments with maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and
- bank overdrafts

c) Interest rate risk exposure

STL's exposure to interest rate risk is discussed in Note 17.

NOTES TO FINANCIAL STATEMENTS 30 JUNE 2025

NOTE 7 FINANCIAL ASSETS

	2025 \$'000	2024 \$'000
Term deposits	56	9,055
	56	9,055

a) Financial assets

Term deposits earn a weighted average interest rate of 4.95%, which is the average rate on deposits invested at 30 June 2025 (2024 – 4.94%).

Term deposits are presented as cash equivalents if they have a maturity of three months or less from the date of acquisition and are repayable within 24 hours' notice with no loss of interest.

Term deposits that have a maturity of three months or more from the date of acquisition are presented as other financial assets.

b) Impairment of financial assets

While cash and cash equivalents and other financial assets are also subject to the impairment requirements of AASB 9 Financial Instruments (AASB 9), these financial assets are determined to have low credit risk at reporting date.

STL does not have any hedging arrangements.

c) Financial assets held as collateral

STL has financial assets in the form of a \$56,360 term deposit held as guarantee for the Company's office lease entered into July 2024, for the term of the lease.

NOTE 8 TRADE AND OTHER RECEIVABLES

	2025 \$'000	2024 \$'000
Current		
Trade receivables	1,708	905
Allowance for impairment	(314)	–
Other receivables	6,487	1,909
	7,881	2,814

a) Trade receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business. They are generally due for settlement within 30 days and therefore are all classified as current. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate, less provision for impairment.

b) Fair value and credit risk

Due to the short-term nature of the current receivables, their carrying amount is considered to be the same as their fair value. The maximum exposure to credit risk at the reporting date is the carrying amount of each class of receivables mentioned above.

Trade receivables are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst other, the failure of a debtor to engage in a repayment plan with the Company.

c) Impairment of trade receivables

STL applies the AASB 9 simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance for all trade receivables and contract assets. Based on trading experience and market conditions, historically STL has not provided for a loss allowance for trade receivables, however we have recognised an impairment loss of \$0.3 million in the current year relating to a specific amount of invoices which remain unpaid. STL is actively seeking payment from the debtor and has sought professional advice. Impairment amounts are included in the statement of comprehensive income within other expenses. Subsequent recoveries of amounts previously written off are credited against the same line item.

d) Other receivables

Other receivables generally arise from accrued amounts for services performed in the ordinary course of business. The receivables are normally due within 30 days of recognition.

During FY25 and according to the terms on the contract with Gladstone Ports Corporation (GPC), STL has incurred costs for the construction of the Common User Infrastructure at the Bundaberg terminal, which will be reimbursed by GPC at cost.

NOTE 9 PROPERTY, PLANT AND EQUIPMENT

	Leasehold land \$'000	Buildings \$'000	Plant and equipment \$'000	CUI assets \$'000	Under construction \$'000	Total \$'000
Year ended 30 June 2025						
Opening net book amount	10,164	179,164	139,327	2,721	7,511	338,887
Additions	–	337	7,810	70	10,159	18,376
Disposals	–	–	(116)	–	–	(116)
Transfers	–	–	5,990	19	(6,009)	–
Depreciation charge	(128)	(6,709)	(8,395)	(122)	–	(15,354)
Closing net book amount	10,036	172,792	144,617	2,688	11,661	341,793
At 30 June 2025						
Cost	12,805	321,621	262,744	2,909	11,661	611,740
Accumulated depreciation	(2,769)	(148,829)	(118,127)	(222)	–	(269,947)
Net book amount	10,036	172,792	144,617	2,688	11,661	341,793
Year ended 30 June 2024						
Opening net book amount	12,805	185,709	136,696	1,934	3,228	340,372
Additions	–	49	9,885	560	5,986	16,480
Disposals	–	–	(191)	–	–	(191)
Transfers	–	123	1,264	316	(1,703)	–
Prior year adjustment	(2,513)	–	–	–	–	(2,513)
Depreciation charge	(128)	(6,717)	(8,327)	(89)	–	(15,261)
Closing net book amount	10,164	179,164	139,327	2,721	7,511	338,887
At 30 June 2024						
Cost	12,805	321,283	249,870	2,820	7,511	594,289
Accumulated depreciation	(2,641)	(142,119)	(110,543)	(99)	–	(255,402)
Net book amount	10,164	179,164	139,327	2,721	7,511	338,887

Non-current assets pledged as security

STL had access to an undrawn \$3 million bank overdraft facility at the reporting date. The security for this overdraft is as follows:

- Deed of mortgage and consent over lease of land at Townsville bulk sugar terminal
- Fixed and floating charge over the whole of the Company's assets, excluding its interests in the leases of land at the ports of Cairns, Mourilyan, Lucinda, Bundaberg and Mackay.

Recognition and measurement

Property, plant and equipment is shown at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Leasehold land

Following its inception, STL acquired several leasehold land properties, each with an initial lease term of 100 years and a further 100-year renewal option. The leasehold land is recognised at its deemed cost (i.e. historical cost) and is amortised over the initial 100-year lease term. The renewal options are within STL's sole discretion and control.

Depreciation & Amortisation

Depreciation on other assets is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives, as follows:

- Leasehold land 100 years
- Buildings 40 – 80 years
- Plant and equipment 7 – 50 years
- Common User Infrastructure Assets (CUI) 20 – 40 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Disposal

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of comprehensive income.

Impairment of non-financial assets

Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

NOTES TO FINANCIAL STATEMENTS 30 JUNE 2025

NOTE 10 INTANGIBLE ASSETS

Software

	Software assets \$'000	Software under development \$'000	Total \$'000
Year ended 30 June 2025			
Opening net book amount	2,594	–	2,594
Additions	236	–	236
Disposals	–	–	–
Transfers	–	–	–
Amortisation	(309)	–	(309)
Closing net book amount	2,521	–	2,521
At 30 June 2025			
Cost	3,325	–	3,325
Accumulated amortisation	(804)	–	(804)
Net book amount	2,521	–	2,521
	Software assets \$'000	Software under development \$'000	Total \$'000
Year ended 30 June 2024			
Opening net book amount	1,997	553	2,550
Additions	869	316	1,185
Disposals	–	–	–
Transfers	–	(869)	(869)
Amortisation	(272)	–	(272)
Closing net book amount	2,594	–	2,594
At 30 June 2024			
Cost	3,090	–	3,090
Accumulated amortisation	(496)	–	(496)
Net book amount	2,594	–	2,594

Recognition and measurement

Costs associated with maintaining software programmes are recognised as an expense as incurred. Costs incurred in developing products, systems, or in acquiring software and licenses, are capitalised to intangible software assets where the software will provide a future financial benefit to STL and the Company has control over the use of the software.

Directly attributable costs that are capitalised as part of the software development may include external direct costs of materials and services, employee costs and an appropriate portion of relevant overheads.

Capitalised software costs are amortised from the point at which the asset is ready for use.

Software is stated at historical costs, less any accumulated amortisation. Amortisation of software assets is calculated using the straight-line method over their estimated useful lives, as follows:

- IT development and software 10 years

NOTE 11 LEASES

a) Amounts recognised in the statement of financial position

The balance sheet shows the following amounts relating to leases:

	2025 \$'000	2024 \$'000
Non-current assets		
Right-of-use	2,696	2,405
Less: accumulated depreciation	(568)	(440)
	2,128	1,965
Reconciliation of the written down value at the beginning and end of the current financial year are set out below:		
	Properties	Total
Balance at 1 July 2024	1,965	1,856
Addition in recognition of new right-of-use asset	291	246
Depreciation expense	(128)	(137)
Balance at 30 June 2025	2,128	1,965

NOTE 11 LEASES (CONTINUED)

	2025 \$'000	2024 \$'000
Lease liabilities		
Current	253	250
Non-current	3,396	3,064
Total lease liability	3,649	3,314
Future lease payments		
Future lease payments are due as follows:		
No later than one year	259	250
Later than one and not later than five years	769	731
Later than five years	10,999	11,389
	12,027	12,370
b) Amounts recognised in the statement of profit or loss and other comprehensive income		
The statement of profit or loss and other comprehensive income shows the following amounts relating to leases:		
Depreciation charge right-of-use assets	128	249
Interest expense	145	126
	273	375
The total cash outflow for leases	254	225

Additions to the right-of-use assets during the 2025 financial year were \$290,511 (2024 – \$246,747).

c) STL's leasing activities and how these are accounted for

STL has signed long-term head leases with each port authority for nominal values. Each head lease includes the option for STL to extend the lease term. Commencing in 2001, the value of the land attributable to each lease was recognised on STL's balance sheet (refer to Note 9 Property, Plant and Equipment). As the value of the lease liability for the head leases is considered immaterial, no change has been made to the accounting treatment under AASB 16.

STL has long-term licence agreements in place for the wharf land upon which STL's wharves reside at Cairns, Lucinda and Bundaberg. Each licence includes the option for STL to extend the licence term. For these licences, STL obtains substantially all the economic benefits from the underlying assets (the wharf land), therefore the agreements are considered to incorporate a lease for the purposes of AASB 16. The fees for the wharf licences at Lucinda and Bundaberg are nominal. As the value of the lease liability for the wharf licences is considered immaterial, no change has been made to the accounting treatment under AASB 16. At Cairns, STL pays an annual licence fee and this licence is considered to incorporate a lease for the purposes of AASB 16.

In July 2024, STL renewed its licence agreement for office space, with the revised agreement extending to 31 October 2026. The arrangement meets the definition of a lease under AASB 16 Leases and has been accounted for accordingly as a right-of-use asset and corresponding lease liability in the financial statements.

In December 2020 STL signed a framework agreement with Gladstone Ports Corporation (GPC) to commence a detailed design on a Common User Infrastructure (CUI) facility at the Port of Bundaberg which will enable STL to grow its service offering to customers with other commodities.

In June 2022, STL agreed with GPC to proceed to construction of the CUI. When the CUI construction reached practical completion in October 2023, STL entered a long-term lease with GPC.

STL's lease payments to GPC for the CUI will be fully variable and linked to the future use of the CUI (ie. tonnes shipped). Therefore, as the payments are fully variable, they will be excluded from the measurement of lease liabilities. The payments will be recognised in the profit and loss in the period that the lease payment is made (which will be linked to tonnes shipped). There is no minimum payment amount under the terms of the arrangement with GPC.

Leases are recognised as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the company. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees

The lease payments are discounted using an estimate of STL's incremental borrowing rate, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT-equipment and small items of office furniture.

d) Critical judgements in determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

NOTES TO FINANCIAL STATEMENTS 30 JUNE 2025

NOTE 12 TRADE AND OTHER PAYABLES

	2025 \$'000	2024 \$'000
Trade and other payables	19,901	14,197
Deferred revenue	4,674	4,769
	24,575	18,966

Trade and other payables are unsecured and are usually paid within 30 days of recognition. The carrying amount of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

a) Other payables

Wages, salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for sick leave, which are non-vesting, are recognised when the leave is taken and measured at the rates paid or payable.

Short term incentive plans

STL recognises a liability for employee short term incentive plan entitlements in other payables when there is a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made. Settlement occurs within 12 months and is measured at the amounts expected to be paid when they are settled.

b) Deferred revenue

Under the terms of contract for certain services, STL invoices customers in advance of services performed. The income received on invoice in advance is recognised as deferred revenue until the time of the service being performed in the following period.

NOTE 13 DEFERRED TAX LIABILITIES

	2025 \$'000	2024 \$'000
a) Deferred tax assets		
The balance comprises temporary differences attributable to:		
Lease liabilities	1,095	994
Employee provisions	51	40
Revenue received in advance	1,402	1,431
Other	214	40
Total deferred tax assets	2762	2505
Set-off of deferred tax liabilities pursuant to set-off provisions	(2,762)	(2,505)
Net deferred tax assets	—	—
b) Deferred tax liabilities		
The balance comprises temporary differences attributable to:		
Right of use Asset	638	590
Property, plant and equipment	15,118	15,969
Other	—	14
Total deferred tax liabilities	15,756	16,573
Set-off of deferred tax assets pursuant to set-off provisions	(2,762)	(2,505)
Net deferred tax liabilities	12,994	14,068
Opening balance at 1 July	14,068	16,864
Other	(87)	(76)
Charged to the profit or loss (Note 4a)	(987)	(2,721)
Closing balance at 30 June	12,994	14,068

Deferred income tax is provided for in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where STL has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

NOTE 14 CAPITAL MANAGEMENT

a) Risk Management

STL manages capital to safeguard the company's ability to continue as a going concern, to provide returns for shareholders and benefits for other stakeholders.

	2025 \$'000	2024 \$'000
b) Dividends paid on ordinary shares during the year		
Final fully franked dividend for the year ended 30 June 2024 of 4.1 cents per share (2023 3.9 cents)	14,760	14,040
Interim fully franked dividend for the year ended 30 June 2025 of 4.1 cents per share (2024 – 4.0 cents)	14,760	14,400
	29,520	28,440
c) Dividends not recognised at year end		
In addition to the above dividends, since year end the Directors have determined that a final fully franked dividend of 3.6 cents per fully paid ordinary share will be paid on 9 October 2025, but is not recognised as a liability at year end (2024 4.1 cents)	12,960	14,760

Provision is made for the amount of any dividend declared being appropriately authorised and no longer at the discretion of STL on or before the end of the year, but not distributed at balance date.

d) Franked dividends

The franked portion of the final dividend recommended after 30 June 2025 will be franked out of existing franking credits or out of franking credits arising from the payment of income tax for the year ending 30 June 2025.

Franking credits available for subsequent reporting periods based on a tax rate of 30% (2024 – 30%) **9,313** 6,709

The above amounts represent the balance of the franking account as at the end of the financial year, adjusted for:

- a) franking credits that will arise from the payment of the current tax liability
- b) franking debits that will arise from the payment of dividends recognised as a liability at the reporting date
- c) franking credits that may be prevented from being distributed in subsequent financial years.

The dividend declared by the directors since year end, but not recognised as a liability at year end, will result in a reduction in the franking account of \$5,554,286 (FY24 \$6,325,715).

Dividend payout during the year per share **0.0820** 0.0790

NOTE 15 CONTRIBUTED EQUITY

	2025 Shares	2024 Shares	2025 \$'000	2024 \$'000
a) Share capital				
Ordinary shares				
Fully paid	360,000,000	360,000,000	317,628	317,628
b) Movements in ordinary share capital				
Opening balance			317,628	317,628
Closing balance			317,628	317,628

c) Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held.

Where there is a voting by poll at a meeting of shareholders, each share is entitled to one vote, except that no holder of G class shares may vote more than 5% of the total number of G Class shares.

Where there is a voting by show of hands at a meeting of shareholders, every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote.

There are no other limitations to G or M class shares

	2025	2024
At 30 June there were 360 million ordinary shares fully paid, consisting of:		
G Class ordinary shares	229,348,203	229,348,203
M Class ordinary shares	130,651,797	130,651,797
	360,000,000	360,000,000

During the year ended 30 June 2025, there were no movements in the total number of ordinary shares on issue.

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

NOTES TO FINANCIAL STATEMENTS 30 JUNE 2025

NOTE 16 RETAINED EARNINGS

Movements in retained earnings were as follows:

Retained earnings

	2025 \$'000	2024 \$'000
Balance at 1 July	22,569	21,051
Adjustment of prior year balances	(106)	(2,523)
Restated opening balance	22,463	18,538
Total comprehensive income	32,277	32,470
Dividends provided for or paid	(29,520)	(28,440)
Balance at 30 June	25,220	22,568

NOTE 17 FINANCIAL RISK MANAGEMENT

STL's activities expose the Company to a variety of financial risks: credit risk, liquidity risk and market risk. The overall risk management program of STL focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on its financial performance. Whilst STL has concentration of risk as the Company has a small group of customers, this risk is managed through close relationships with those customers and the terms of contracts through which STL provides services to them.

a) Credit risk

STL had no significant concentrations of credit risk during the year. Cash at bank and term deposits are all held with one of the major Australian banks.

b) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities, both of which STL considers at all times.

i) Financing arrangements

STL had access to the following undrawn borrowing facility at the reporting date:

	2025 \$'000	2024 \$'000
Floating rate		
Expiring within one year (bank overdraft)	3,000	3,000

The bank overdraft facility may be drawn at any time and may be terminated by the bank without notice.

c) Market risk

i) Foreign exchange risk

STL is not exposed to foreign exchange risk arising from currency exposure.

ii) Price risk

STL is not exposed to equity securities price risk.

iii) Cash flow and fair value interest rate risk

STL's income and operating cash flows are substantially independent of changes in market interest rates. There is no external debt or interest-bearing obligations.

NOTE 18 CONTINGENT LIABILITIES

Environmental remediation

STL is subject to environmental laws and regulations concerning its bulk sugar terminal facilities that may require future remediation to be undertaken. Such contingencies may arise during the term of, or upon any expiry of, a relevant lease.

Each of STL's six bulk sugar terminals is operated under a long-term lease with the local port authority. Each lease contains rolling options for extension, which are in the Company's control. If, at a future time, a lease was permitted to expire and the relevant port did not elect to purchase the terminal facilities, STL may be required to remove terminal infrastructure and undertake appropriate remediation. Any such obligation is considered to have a low probability of crystallising at this time due to the ongoing nature of export sugar activities and growth in other commodity handling, which supports the continued utilisation of each terminal.

STL may also sell one or more of the bulk sugar terminals to a third party buyer, releasing the Company from any future obligation or liability in respect of that terminal, including future "make good" and/or remediation obligations.

As at 30 June 2025, in considering all information presently available to them, the Directors consider the likelihood of incurring "make good" and/or remediation obligations and liabilities in respect of the bulk sugar terminals to have a low probability. As such, no provision for these obligations has been recognised. The assumptions supporting this assessment may change should events change in the future. This position will be reconsidered at each reporting date or in the event of underlying industry change.

NOTE 19 COMMITMENTS

Capital Commitments

	2025 \$'000	2024 \$'000
Capital expenditure contracted for by QSL as operator but not paid or recognised as a liability by STL at year end	6,526	3,025
Capital expenditure contracted for by STL but not paid or recognised as a liability by STL at year end	345	415
	6,871	3,440

Under the terms of the Operating Agreement, QSL incurs expenditure on capital works on STL's behalf in accordance with the approved capital expenditure budget and that expenditure is reimbursed by STL.

In June 2022 STL agreed with GPC to proceed with construction of the CUI at the Port of Bundaberg, which required STL to commit to capital works on STL owned assets as part of this project. This project is in progress at 30th June 2025.

NOTE 20 EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

There were no significant events occurring after the balance date.

NOTES TO FINANCIAL STATEMENTS 30 JUNE 2025

NOTE 21 RELATED PARTY TRANSACTIONS

	2025 \$'000	2024 \$'000
a) Key management personnel		
<i>Key management personnel compensation</i>		
Short-term	1,720,109	1,576,365
Post-employment benefits (i.e. superannuation)	145,161	137,217
	1,865,270	1,713,582

Detailed remuneration disclosures are provided in the remuneration report on pages 14 to 17.

Equity instrument disclosures relating to key management personnel – Shareholdings

The number of ordinary shares in the Company held during the financial year by each Director and other key management personnel of the Company, including their personally related entities, are set out below. No shares were granted during the reporting period as compensation.

	2025	2024
AR Bartolo		
Shares held at the beginning and end of the year	17,644	17,644
S Kirby		
Shares held at the beginning and end of the year	15,468	15,468
P Schembri		
Shares held at the beginning and end of the year	22,662	N/A
	2025 \$	2024 \$

b) Transactions with other related parties

The following transactions occurred with other related parties:

Provision of services to shareholders	114,524,650	111,854,575
Purchase of services from shareholders	64,201,011	65,069,823

Outstanding balances arising from sales/ purchases

The following balances (inclusive of any goods and services tax) are outstanding at the end of the reporting period in relation to transactions with related parties:

Current receivables (provision of services to shareholders)	937,848	552,169
Current payables (purchase of services from shareholders)	18,873,402	13,110,290
Prepaid revenue from shareholders	4,674,427	4,620,991

Terms and conditions

The transactions have been recorded in accordance with the terms and conditions included in the Storage and Handling Agreement.

NOTE 22 REMUNERATION OF AUDITORS

During the year the following fees were paid or payable for services provided by BDO Australia as the auditor of STL, by BDO's related network firms and non-related audit firms:

	2025 \$	2024 \$
Auditors of STL – BDO and related network firms		
Audit and review of financial reports	76,000	76,000
Administration charges associated with assurance services	1,875	1,930
Other services		
Taxation compliance services	10,125	9,650
Taxation advice services	6,643	–
Consulting services	18,492	3,180
Administration charges – Other Services	1,093	10
Total remuneration for other services	36,353	12,840
Total services provided by BDO	114,228	90,770

NOTE 23 ECONOMIC DEPENDENCY

STL depends on six customers for 98% of its revenue via income from the storage and handling agreement.

NOTE 24 RECONCILIATION OF PROFIT AFTER INCOME TAX TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2025 \$'000	2024 \$'000
Profit for the year	32,277	32,470
Depreciation	15,791	15,653
Net loss on disposal of non-current assets	116	191
Increase in impairment of trade receivables	–	–
Increase in trade and other receivables	(5,275)	1,768
Increase (decrease) in trade and other payables	3,295	(1,203)
Increase (decrease) in current tax liabilities	(1,505)	5,008
Increase (decrease) in deferred tax liabilities	(1,028)	(2,796)
Net cash inflow from operating activities	43,671	51,091

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

Sugar Terminals Limited has no controlled entities, and therefore is not required by the Australian Accounting Standards to prepare consolidated financial statements.

As a result, section 295(3A)(a) of the *Corporations Act 2001* does not apply to the entity

DIRECTOR'S DECLARATION

IN THE DIRECTORS' OPINION:

- a) the financial statements and notes set out on pages 21 to 39 are in accordance with the *Corporations Act 2001*, including:
 - i) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - ii) giving a true and fair view of the Company's financial position as at 30 June 2025 and of its performance for the year ended on that date; and
- b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
- c) the Consolidated Entity Disclosure Statement is true and correct.

The Directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer required by Section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of the Directors.

A handwritten signature in black ink that reads "Mark Gray". The signature is written in a cursive style with a long, sweeping underline.

Mark Gray

Chair

Brisbane

9 September 2025



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 Australia

INDEPENDENT AUDITOR'S REPORT

To the members of Sugar Terminals Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Sugar Terminals Limited (the Company), which comprises the statement of financial position as at 30 June 2025, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion the accompanying financial report of Sugar Terminals Limited, is in accordance with the *Corporations Act 2001*, including:

- (i) Giving a true and fair view of the Company's financial position as at 30 June 2025 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Company in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Carrying Value of Property, Plant and Equipment

Key audit matter	How the matter was addressed in our audit
<p>Property, Plant and Equipment (PPE) represents 88.3% (\$341.8 million) of the Company's total assets as at 30 June 2025 (see Note 9). PPE comprises assets integral to the Company's operations and are subject to regular and extensive repairs and maintenance and capital asset replacement programs, where required.</p> <p>Therefore, the carrying value of PPE is a key audit matter due to its significance in the statement of financial position of the Company and the costs incurred annually in relation to capital asset replacements, costs of maintenance and depreciation expense.</p>	<p>Procedures we performed in assessing the carrying value of PPE included, but were not limited to, the following:</p> <ul style="list-style-type: none"> • Reviewed the Company's accounting policies and methodologies for capitalisation of PPE and assessed whether they comply with the requirements of AASB 116 <i>Property, Plant and Equipment</i>; • Reviewed capital assets under construction balances to determine any long outstanding balances that may require impairment; • Reviewed management's repair and maintenance strategy; • Reviewed management's impairment assessment; • Agreed PPE balances from the fixed assets register to the financial statements; • Performed substantive procedures, on samples basis, on material PPE movements (additions, transfers and disposals) by agreeing to supporting documentation including invoices and contracts; • Performed reasonableness test, on a sample basis, on depreciation charges during the year by re-calculating depreciation recorded in the fixed assets register; • Assessed the reasonableness of useful lives, on a sample basis, by reviewing historical independent engineering reports used to determine the PPE's useful lives; • Assessing the disclosures of make good provision associated with PPE, including engaging our internal IFRS specialist to review the Company's accounting treatment including reviewing the independent accounting advice commissioned by management; and • Reviewed the adequacy of the PPE disclosures in the financial statements.



Other information

The directors are responsible for the other information. The other information comprises the information in the Company's annual report for the year ended 30 June 2025, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of:

- a) the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and
- b) the consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2001, and

for such internal control as the directors determine is necessary to enable the preparation of:

- i) the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

https://www.auasb.gov.au/admin/file/content102/c3/ar2_2020.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of Sugar Terminals Limited, for the year ended 30 June 2025, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit Pty Ltd



C K Henry

Director

Brisbane, 9 September 2025

SHAREHOLDER INFORMATION

TOP 10 SHAREHOLDINGS

The Company has G Class shares, the acquisition of which is restricted to Active Growers and M Class shares which are restricted to Active Millers.

Lists of the top 10 G Class shareholdings and all of the M Class shareholdings as at the balance date:

G CLASS SHAREHOLDINGS

SHAREHOLDER	NUMBER OF SHARES
Anthoan Pty Ltd	11,515,155
MSF Investments Pty Ltd	11,494,226
QSL Investments (No 1) Pty Ltd	11,467,410
QSL Investments (No 2) Pty Ltd	11,467,410
QSL Investments (No 3) Pty Ltd	11,467,410
MSF Sugar Pty Ltd	11,446,455
Queensland Sugar Limited	10,632,438
MP Australia Investments Pty Ltd	8,816,360
Jaswel Pty Ltd	4,406,699
Queensland Sugar Limited	4,364,587

M CLASS SHAREHOLDINGS

SHAREHOLDER	NUMBER OF SHARES
Wilmar Sugar Australia Investments Pty Ltd	65,810,955
Mackay Sugar Limited	32,730,150
MSF Sugar Limited	16,568,672
The Mulgrave Central Mill Company Limited	9,505,841
Tully Sugar Limited	6,016,179
Isis Central Sugar Mill Co Ltd	20,000

SUBSTANTIAL SHAREHOLDERS

SHAREHOLDER	%
MSF Sugar Ltd (and associated companies)	19.32%
Wilmar Sugar Australia Investments Pty Ltd	18.59%
Queensland Sugar Limited (and associated companies)	14.70%
Mackay Sugar Limited	9.09%

DISTRIBUTION OF SHAREHOLDERS

RANGE OF UNITS	G CLASS HOLDERS		M CLASS HOLDERS		TOTAL SHAREHOLDERS		
	HOLDERS	SECURITIES	HOLDERS	SECURITIES	HOLDERS	SECURITIES	% OF UNITS
1 to 1,000	202	86,568	-	-	202	86,568	0%
1,001 to 5,000	569	1,765,964	-	-	569	1,765,964	0%
5,001 to 10,000	642	4,809,913	-	-	642	4,809,913	1%
10,001 to 100,000	2,633	84,354,182	1	20,000	2,634	84,374,182	23%
100,001 and Over	186	138,331,576	5	130,631,797	191	268,963,373	75%
Total	4,232	229,348,203	6	130,651,797	4238	360,000,000	100%

CORPORATE DIRECTORY

DIRECTORS

Mark (Alan) Gray – Chair
Salvatore (Sam) Bonanno
Peter Trimble
Mark Greenwood
Steven (Steve) Kirby
Paul Schembri
Rohan Whitmee

COMPANY SECRETARY/CFO

Robbie White

REGISTERED OFFICE

Level 11
348 Edward Street
Brisbane City QLD 4000

SHARE REGISTER

Sugar Terminals Limited Share Registry
c/- MUFG Corporate Markets
Locked Bag A14
Sydney South NSW 1235

AUDITOR

BDO
Level 10
12 Creek Street
Brisbane City QLD 4000

SOLICITORS

Clayton Utz
GPO Box 9806
Brisbane QLD 4001

BANKERS

National Australia Bank
PO Box 10653
Brisbane QLD 4001

STOCK EXCHANGE LISTING

Sugar Terminals Limited G Class
shares are listed on the National
Stock Exchange of Australia

WEBSITE

sugarterminals.com.au



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