

SUGAR TERMINALS LIMITED ABN 17 084 059 601

NSX Half-year information – 31 December 2022

Lodged with the NSX under Listing Rule 6.10.

This information should be read in conjunction with the 30 June 2022 Annual Report.

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Half-year report (*NSX Listing rule 6.10*)

SUGAR TERMINALS LIMITED
Half-year ended 31 December 2022
(Previous corresponding period:
Half-year ended 31 December 2021)

Results for announcement to the market

				\$'000
Revenue from ordinary activities <i>(Appendix 3 item 2.1)</i>	up	5.2%	to	52,807
Profit/(loss) from ordinary activities after tax attributable to members <i>(Appendix 3 item 2.2)</i>	up	6.8%	to	14,693
Net profit/(loss) for the period attributable to members <i>(Appendix 3 item 2.3)</i>	up	6.8%	to	14,693

Dividends/distributions <i>(Appendix 3 items 2.4 & 2.5)</i>	Record date	Amount per security	Franked amount per security
Final dividend <i>(prior year)</i>	16 September 2022	3.7¢	3.7¢
Interim dividend	13 March 2023	3.9¢	3.9¢

Explanation of Revenue and Net Profit *(Appendix 3 item 2.6)*

STL provides sustainable and globally competitive storage and handling solutions for bulk sugar and other commodities. There were no significant changes in the nature of the STL's principal activities during the financial half year.

The profit attributable to STL shareholders for the half-year ending 31 December 2022 was \$14.7 million, a 6.8% improvement on the corresponding period (2021: \$13.8 million). This result is in line with STL's ongoing ambition to achieve stable, reliable, and sustainable returns to our investors, whilst maintaining responsible cost control for customers.

STL revenue for the half-year was \$52.8 million, 5.2% above last year (2021: \$50.2 million). The revenue from bulk sugar handling was \$52 million (2021: \$49.4 million), represented by revenue for availability charges of \$27.8 million (2021: \$26.3 million) and revenue from operating and testing charges of \$24.2 million (2021: \$23.1 million), which represent a direct recovery from customers of costs incurred without margin or mark up.

STL continues to deliver value by balancing returns to shareholders with a concentrated effort on reducing costs to customers and a strategic focus on the future.

In particular, STL remains focused on achieving commercial and operational best practice at its terminal operations, controlling costs and expanding other income opportunities.

Highlights for the half-year are as follows:

- maintained STL's high customer service levels and kept the team safe.
- the roof replacement investment on Shed 1 at the Townsville terminal was completed safely, on time and on budget. This project is the final component of a \$100 million reroofing program that has seen STL rejuvenate its storage and export operations for the long term.
- despite a challenging crush season due to unfavourable weather conditions, STL's terminals received and outloaded 5.5 million tonnes of raw sugar in the six months to 31 December 2022

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(2021: 5.6 million) with an additional 113 thousand tonnes received in January due to the extended crush (2021: 5 thousand) the 2022 season total was 0.5% above last year.

- civil works were successfully completed on the common user infrastructure project at the Port of Bundaberg, and as of the date of this report work has commenced on the construction and installation of the aboveground conveyor system and ship loader modifications. In partnership with Gladstone Ports Corporation, and with over \$17 million of government funding, the project will deliver infrastructure that will provide scope to better utilise STL assets at the Bundaberg terminal and expand STL's business opportunities for other export orientated products, whilst maintaining a key focus on servicing the local raw sugar industry.

STL has in place various contractual arrangements which underpin its future operations. During 2022 STL signed a new three-year storage and handling agreement with five out of its six raw sugar customers and is applying the terms and benefits of the new agreement to all six customers, in effect since 1 July 2022.

STL also currently has in place an operating agreement with Queensland Sugar Limited (QSL) as its key operations contractor, with this contract due to expire 30 June 2026.

Supplementary Appendix 3 Information

NTA Backing *(Appendix 3 item 3)*

	2022	2021
Net tangible asset backing per ordinary share	93.4¢	93.2¢

Controlled entities acquired or disposed of *(Appendix 3 item 4)*

No entities were acquired or disposed of during the period.

Additional dividend/distributions information *(Appendix 3 item 5)*

Details of dividends/distributions declared or paid during or subsequent to the half-year ended 31 December 2022 are as follows:

Record date	Payment date	Type	Amount per security	Total dividend	Franked amount per security	Foreign sourced dividend amount per security
16 September 2022	5 October 2022	Final	3.7¢	\$13,320,000	3.7¢	-
13 March 2023	31 March 2023	Interim	3.9¢	\$14,040,000	3.9¢	-

Dividend reinvestment plans *(Appendix 3 item 6)*

The company does not have any dividend reinvestment plans in operation.

Supplementary Appendix 3 Form Information (continued)

Associates and Joint Venture entities *(Appendix 3 item 7)*

The company does not have any associates or joint venture entities.

Foreign Accounting standards *(Appendix 3 item 8)*

The company does not have any interest in any foreign entities.

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Audit Alert *(Appendix 3 item 9)*

The accounts are not subject to an audit dispute or qualification.

Ratios *(Appendix 3 form, item 8)*

		2022	2021
8.1	Profit before abnormals and tax / sales Operating profit (loss) before abnormal items and tax as a percentage of sales revenue	40.1%	39.5%
8.2	Profit after tax / equity interests Operating profit (loss) after tax attributable to members as a percentage of equity at the end of the period	4.3%	4.1%

Issued and Listed Securities *(Appendix 3 form, item 18)*

		Number Issued	Number Listed
18.3	Ordinary Securities	360,000,000	229,348,203